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*This document constitutes two base prospectuses for the purposes of article 8(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, as amended (the **Prospectus Regulation**): (i) the base prospectus of ZF Friedrichshafen AG, Friedrichshafen, Federal Republic of Germany in respect of non-equity securities within the meaning of article 2(c) of the Prospectus Regulation (**Non-Equity Securities**), (ii) the base prospectus of ZF Europe Finance B.V., Amsterdam, The Netherlands in respect of Non-Equity Securities.*

ZF Friedrichshafen AG
(Friedrichshafen, Federal Republic of Germany)
as Issuer
and, in respect of Notes issued by ZF Europe Finance B.V.,
as Guarantor

ZF Europe Finance B.V.
(Amsterdam, The Netherlands)
as Issuer

EUR 7,500,000,000

Debt Issuance Programme
(the *Programme*)

Under this base prospectus (together with any documents incorporated by reference herein, the ***Prospectus***), each of ZF Friedrichshafen AG and ZF Europe Finance B.V. (each an ***Issuer*** and together the ***Issuers***) may, subject to compliance with all relevant laws, regulations and directives, from time to time issue unsubordinated bearer notes in a minimum denomination of EUR 100,000 per Note (together the ***Notes***). The payments of all amounts due in respect of Notes issued by ZF Europe Finance B.V. will be unconditionally and irrevocably guaranteed by ZF Friedrichshafen AG (in such capacity, the ***Guarantor***). The aggregate principal amount of Notes issued under the Programme outstanding will not at any time exceed EUR 7,500,000,000 (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 prices and maturities of the Notes and all other terms and conditions which are applicable to a particular Series and, if applicable, Tranche of Notes (each term as defined below, see "*1 General Description of the Programme*") will be set out in the document containing the final terms (each referred to as ***Final Terms***) within the meaning of article 8(4) of the Prospectus Regulation.

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the ***CSSF***) in Luxembourg as competent authority under the Prospectus Regulation and the Luxembourg Act relating to prospectuses for securities dated July 16, 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières*, the ***Luxembourg Law***). The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuers or the Guarantor or of the quality of the Notes issued under the Programme that is the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

By approving a prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of each Issuer pursuant to article 6(4) Luxembourg Law.

Application has been made to list Notes on the official list of the Luxembourg Stock Exchange and to admit Notes to trading on the Luxembourg Stock Exchange's regulated market "*Bourse de Luxembourg*". The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended (***MiFID II***). However, Notes may also be issued under the Programme which are listed on a stock exchange other than the Luxembourg Stock Exchange or which are not listed on any stock exchange as specified in the relevant Final Terms. The CSSF has neither approved nor reviewed information contained in this Prospectus in connection with unlisted Notes.

This Prospectus and any supplement to this Prospectus will be published in electronic form, together with all documents incorporated by reference, on the website of the Luxembourg Stock Exchange (*www.luxSE.com*). This

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Prospectus is valid for a period of twelve months after its approval. The validity ends upon expiration of May 8, 2026. The obligation to supplement this Prospectus in accordance with article 23 of the Prospectus Regulation in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes in any jurisdiction where such offer or solicitation is unlawful.

The Notes and the Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the *Securities Act*) and subject to certain exceptions, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons.

Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in light of their own circumstances and financial condition. Investing in the Notes involves certain risks. Please review the section entitled "*Risk Factors*" beginning on page 12 of this Prospectus.

Arranger

Deutsche Bank

Dealers

Bank of China	**Barclays**	**BNP PARIBAS**
BofA Securities	**Citigroup**	**Commerzbank**
DBS Bank Ltd.	**Deutsche Bank**	**DZ BANK AG**
Goldman Sachs Bank Europe SE	**Helaba**	**ING**
J.P. Morgan	**Landesbank Baden-Württemberg**	**Mizuho**
Santander Corporate & Investment Banking	**SEB**	**SMBC**

UniCredit

RESPONSIBILITY STATEMENT

ZF Friedrichshafen AG with its registered office in Friedrichshafen, Federal Republic of Germany (***ZF, ZF AG,*** the ***Company*** or the ***Guarantor***) and ZF Europe Finance B.V., with its registered office in Amsterdam, The Netherlands (***ZF Europe Finance B.V.***) (the Company and ZF Europe Finance B.V. each an ***Issuer*** and together the ***Issuers***) accept responsibility for the information contained in this Prospectus and for the information which will be contained in the Final Terms (as defined herein).

Each Issuer and the Guarantor hereby declares that, to the best of its knowledge, the information contained in this Prospectus for which it is responsible is in accordance with the facts and contains no omission likely to affect its import.

CERTAIN DEFINED TERMS

The terms ***ZF Group*** and ***Group*** or ***we***, ***us*** or ***our*** as used in this Prospectus refer to ZF Friedrichshafen AG and its consolidated subsidiaries.

NOTICE

This Prospectus should be read and understood in conjunction with any supplement hereto and with any other documents incorporated herein by reference and, in relation to any tranche of Notes (each a ***Tranche***), together with the relevant Final Terms. Full information on the Issuers and any Tranche is only available on the basis of the combination of this Prospectus, any supplement to this Prospectus and the relevant Final Terms.

This Prospectus and any supplement hereto as well as any Final Terms reflect the status as of their respective dates of issue. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuers since the date hereof or the date upon which this Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuers since the date hereof or the date upon which this Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

No person has been authorized to give any information which is not contained in or not consistent with this Prospectus or any other document entered into in relation to the Programme or any information supplied by any Issuer or any other information in the public domain and, if given or made, such information must not be relied upon as having been authorized by the Issuers, the Dealers or any of them.

Neither the Arranger nor any Dealer nor any other person mentioned in this Prospectus, excluding the Issuers, is responsible for the information contained in this Prospectus or any supplement hereto, or any Final Terms or any document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

The distribution of this Prospectus and any Final Terms and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus or any Final Terms come are required to inform themselves about and observe any such restrictions. For a description of the restrictions applicable in the United States of America (***United States***, ***U.S.*** or ***US)***, the European Economic Area (***EEA***), the United Kingdom (the ***UK***), Singapore and Switzerland, see "*11.3 Selling Restrictions*". In particular, the Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the ***Securities Act***), and include notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered in, into nor within the United States or to U.S. persons.

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

This Prospectus and any Final Terms may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

This Prospectus, any supplement thereto and any Final Terms do not constitute an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the relevant Issuer or, as applicable, the Guarantor or any Dealer that any recipient of this Prospectus or any Final

Terms should subscribe for or purchase any Notes. Each recipient of this Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the relevant Issuer and, as applicable, the Guarantor.

The language of this Prospectus is English. Any part of this Prospectus in the German language constitutes a translation. In respect of the issue of any Tranche of Notes under the Programme, the German text of the terms and conditions of the Notes (the ***Terms and Conditions***) may be controlling and binding if so specified in the relevant Final Terms. In respect of the German law governed guarantee (the ***Guarantee***) (including the negative pledge contained therein) the German language version is always controlling and binding.

The information on any website referred to in this Prospectus does not form part of this Prospectus and has not been scrutinized or approved by the CSSF unless that information is incorporated by reference into this Prospectus.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a ***Distributor***) should take into consideration the target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the ***MiFID Product Governance Rules***), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules. None of ZF AG and ZF Europe Finance B.V. is a manufacturer or Distributor for the purposes of MiFID II and its supplementing EU legislative acts.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any Distributor should take into consideration the target market assessment; however, a Distributor subject to the UK Financial Conduct Authority (***FCA)*** Handbook Product Intervention and Product Governance Sourcebook (the ***UK MiFIR Product Governance Rules***) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules. None of ZF AG and ZF Europe Finance B.V. is a manufacturer or Distributor for the purposes of the UK MiFIR Product Governance Rules.

PRIIPS REGULATION – EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes include a legend entitled "Prohibition of Sales to EEA Retail Investors", the relevant Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU (as amended), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II. If the above mentioned legend is included in the relevant Final Terms, no key information document required by Regulation (EU) No 1286/2014 (as amended, the ***PRIIPs Regulation***) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPS REGULATION – UK RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of article 2 of Regulation (EU) No 2017/565 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (***EUWA***); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (***FSMA***) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK law by virtue of the EUWA. If the above mentioned legend is included in the relevant Final Terms, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK law by virtue of the EUWA (the ***UK PRIIPs Regulation***)

for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

NOTICE TO CANADIAN INVESTORS – The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any supplement hereto and/or any Final Terms) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES UNDER THE PROGRAMME, THE DEALER OR DEALERS (IF ANY) NAMED AS STABILIZATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILIZATION 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, STABILIZATION MAY NOT NECESSARILY OCCUR. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILIZATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILIZATION MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILIZATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

ANY U.S. PERSON WHO HOLDS AN OBLIGATION UNDER THIS PROGRAMME THAT IS TREATED AS IN BEARER FORM FOR U.S. FEDERAL INCOME TAX PURPOSES WILL BE SUBJECT TO LIMITATIONS UNDER THE U.S. INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN CLAUSES 165(J) AND 1287(A) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED.

BENCHMARKS REGULATION – STATEMENT IN RELATION TO ADMINISTRATOR'S REGISTRATION – The Final Terms in respect of any Notes offered on the basis of this Prospectus may specify that interest amounts payable under the relevant Notes may be calculated by reference to the Euro Interbank Offered Rate (***EURIBOR***), which as at the date of this Prospectus is provided by the European Money Markets Institute (***EMMI***). As at the date of this Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (***ESMA***) pursuant to article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016, as amended (the ***Benchmarks Regulation***). The registration status of any administrator under the Benchmarks Regulation is a matter of public record and save where required by applicable law the Issuers do not intend to include in the relevant Final Terms any information on the registration status of any administrator.

In this Prospectus, all references to ***euro***, ***EUR*** or ***€*** are to the currency introduced at the start of the third stage of the European economic and monetary union, and defined in article 2 of Council Regulation (EC) No 974/98 of May 3, 1998, on the introduction of the euro, as amended. ***U.S. dollars, USD*** or ***$*** refer to the lawful currency of the United States.

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, such rating and the respective rating agency will be specified in the relevant Final Terms. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends and competition in the markets in which the Group operates is taken from publicly available sources, including, but not limited to, third-party studies or the Group's own estimates that are also primarily based on data or figures from publicly available sources. The information from third-party sources that is cited here has been reproduced accurately. As far as the Issuers are aware and are able

to ascertain from information published by such third-party, no facts have been omitted which would render the reproduced information published inaccurate or misleading.

This Prospectus also contains estimates of market data and information derived from these estimates that would not be available from publications issued by market research firms or from any other independent sources. This information is based on the Group's internal estimates and, as such, may differ from the estimates made by the Group's competitors or from data collected in the future by market research firms or other independent sources. To the extent the Issuers derived or summarized the market information contained in this Prospectus from a number of different studies, an individual study is not cited unless the respective information can be taken from it directly.

Neither the Issuers nor the Dealers have independently verified the market data and other information on which third parties have based their studies or the external sources on which the Issuers' own estimates are based. Therefore, the Issuers assume no responsibility for the accuracy of the information on the market environment, market developments, growth rates, market trends and competitive situation presented in this Prospectus from third-party studies or the accuracy of the information on which the Issuers' own estimates are based. Any statements regarding the market environment, market developments, growth rates, market trends and competitive situation presented in this Prospectus regarding the ZF Group and its operating divisions contained in this Prospectus are based on own estimates and/or analysis unless other sources are specified.

None of the Issuers, the Arranger or any of the Dealers makes any representation as to the suitability of any green bonds, including the listing or admission to trading thereof on any dedicated 'green', 'environmental', 'sustainable', 'social' or other equivalently-labelled segment of any stock exchange or securities market, to fulfil any green, social, environmental or sustainability criteria required by any prospective investors. The Arranger and the Dealers have not undertaken, nor are they responsible for, any assessment of the eligibility criteria for Green Projects (as defined below), any verification of whether the Green Projects meet such criteria, the monitoring of the use of proceeds of any green bonds (or amounts equal thereto) or the allocation of the proceeds by the Issuers to particular Green Projects. No assurance is given by the Issuers, the Arranger or the Dealers or any other person that the use of the proceeds of issue of any green bonds will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which any investor or its investments are required to comply. Investors should refer to the green finance framework of ZF AG, any second party opinion delivered in respect thereof, and any public reporting by or on behalf of the Issuers in respect of the application of the proceeds of any issue of green bonds for further information. Any such green finance framework and/or second party opinion and/or public reporting will not be incorporated by reference in this Prospectus and neither the Arranger nor any of the Dealers makes any representation as to the suitability or contents thereof.

FORWARD-LOOKING STATEMENTS

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

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuers make to the best of their present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the ZF Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The ZF Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*2 Risk Factors*", "*3.1 ZF Friedrichshafen AG*", "*3.2 ZF Europe Finance B.V.* " and "*4 Business of the ZF Group*". These sections include more detailed descriptions of factors that might have an impact on the ZF Group's business and the markets in which it operates.

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

ALTERNATIVE PERFORMANCE MEASURES

This Prospectus contains certain alternative performance measures (***APMs***) such as adjusted EBIT, adjusted EBIT margin, adjusted EBITDA, free cash flow, adjusted free cash flow, gross debt and net debt which are not recognized financial measures under the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (***IFRSs***). Such APMs must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRSs included elsewhere in this Prospectus. Investors are cautioned not to place undue reliance on these APMs and are also advised to review them in conjunction with the consolidated financial statements of ZF AG including the related notes.

PRESENTATION OF FINANCIAL INFORMATION

This Prospectus contains historical financial information of each Issuer. Unless otherwise indicated, financial information relating to the ZF Group presented in the text and tables in the Prospectus is shown in million Euro, commercially rounded to a whole number. Certain numerical data, financial information and market data (including ratios and percentages) in this Prospectus are subject to rounding adjustments that were carried out according to customary commercial standards. As a result, the aggregate amounts or percentages herein may not in all cases add up exactly to the respective totals or subtotals or may not correspond in all cases to the data contained in the underlying sources.

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1. GENERAL DESCRIPTION OF THE PROGRAMME

1.1 GENERAL

Under this EUR 7,500,000,000 Debt Issuance Programme, the relevant Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue Notes to one or more of the following dealers: Banco Santander, S.A., Bank of China (Europe) S.A., Barclays Bank Ireland PLC, BNP PARIBAS, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, DBS Bank Ltd., Deutsche Bank Aktiengesellschaft, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Goldman Sachs Bank Europe SE, ING Bank N.V., J.P. Morgan SE, Landesbank Baden-Württemberg, Landesbank Hessen-Thüringen Girozentrale, Mizuho Bank Europe N.V., Skandinaviska Enskilda Banken AB (publ), SMBC Bank EU AG and UniCredit Bank GmbH, and any additional dealer appointed under the Programme from time to time by the Issuers, which appointment may be for a specific issue or on an ongoing basis (together, the ***Dealers***).

Deutsche Bank Aktiengesellschaft acts as arranger in respect of the Programme (the ***Arranger***).

Deutsche Bank Luxembourg S.A. acts as listing agent (the ***Listing Agent***).

Deutsche Bank Aktiengesellschaft will act as fiscal agent (the ***Fiscal Agent***) and paying agent (the ***Paying Agent***).

The maximum aggregate principal amount of the Notes from time to time outstanding under the Programme (the ***Programme Amount***) will not exceed EUR 7,500,000,000 (or nearly equivalent in another currency). The Issuers may increase the Programme Amount in accordance with the terms of the Dealer Agreement (as defined herein) from time to time. If the Issuers decide to increase the amount of the Programme, a supplement to the Prospectus will be prepared and published on the website of the Luxembourg Stock Exchange.

1.2 ISSUE OF NOTES

Notes issued by ZF Europe Finance B.V. will have the benefit of a guarantee (the ***Guarantee***) given by ZF Friedrichshafen AG (in such capacity the ***Guarantor***). The Guarantee constitutes an irrevocable, unsecured and unsubordinated obligation of the Guarantor ranking *pari passu* with all other unsecured and unsubordinated obligations of the Guarantor.

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

Notes will be issued in such denomination as may be agreed between the relevant 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 100,000, and, if in any currency other than euro, an amount in such other currency equivalent to at least EUR 100,000 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 may be issued at an issue price, which is at par or at a discount to, or premium over, par, as stated in the relevant Final Terms. The issue price for Notes to be issued will be determined at the time of pricing on the basis of a yield which will be determined on the basis of the orders of the investors which are received by the Dealers during the offer period. Orders will specify a minimum yield and may only be confirmed at or above such yield. The resulting yield will be used to determine an issue price, all to correspond to the yield.

The yield for Notes with fixed interest rates is calculated in accordance with the ICMA (International Capital Market Association) method and based on the issue price of the Notes. The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis.

The specific terms of each Tranche will be set forth in the applicable Final Terms. The Final Terms of Notes listed on the official list and admitted to trading on the regulated market of the Luxembourg Stock Exchange will be displayed on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*). In the case of Notes listed on any other stock exchange in one or more member states of the EEA other than the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of ZF (*www.zf.com*).

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

1.3 DISTRIBUTION OF NOTES

The offer and distribution of any Notes of any Tranche will be subject to selling restrictions, including those for the United States, the EEA, the UK, Singapore and Switzerland. See "*11 Subscription and Sale*" below.

The Final Terms in respect of any Notes may include a legend entitled "*MiFID II Product Governance*" and/or "*United Kingdom (UK) MiFIR Product Governance*" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a ***Distributor***) should take into consideration the target market assessment; however, a Distributor subject to MiFID II and/or Regulation (EU) No 600/2014 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (***UK MiFIR***) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance Rules and/or the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules and/or the UK MiFIR Product Governance Rules. None of ZF AG and ZF Europe Finance B.V. is a manufacturer or Distributor for the purposes of the MiFID Product Governance Rules and the UK MiFIR Product Governance Rules.

1.4 LISTING AND ADMISSION TO TRADING

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Luxembourg Stock Exchange's regulated market "*Bourse de Luxembourg*", appearing on the list of regulated markets issued by the European Commission and may be made on any other regulated market in a Member State of the EEA. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of MiFID II. However, Notes issued under the Programme may be listed on any other stock exchange or may be unlisted as specified in the relevant Final Terms.

2. RISK FACTORS

Before deciding to purchase any Notes, investors should carefully review and consider the following risk factors and the other information contained in this Prospectus (including any document incorporated by reference) or any supplement to this Prospectus. Should one or more of the risks described below materialize, this may have a material adverse effect on the business, financial condition and results of operations of ZF AG, ZF Europe Finance B.V. and/or the ZF Group. Moreover, if any of these risks materialize, the market value of the Notes and the ability of ZF AG and/or ZF Europe Finance B.V. to fulfill their respective payment obligations under the Notes and the Guarantee may be affected, in which case holders of Notes issued under the Programme (the ***Holders*** *and each a* ***Holder****) could lose all or part of their investments. Additional risks and uncertainties, which are not currently known to ZF AG and ZF Europe Finance B.V., or which ZF AG and ZF Europe Finance B.V. currently not consider material, could impair the business operations of ZF AG, ZF Europe Finance B.V. or the ZF Group and have a material adverse effect on their businesses, financial condition and results of operations. The risks to which the business of ZF AG, ZF Europe Finance B.V. or the Group is exposed may result in inaccuracies in risk assessments or other forward-looking statements. An investment in the Notes is only suitable for investors experienced in financial matters who are in a position to fully assess the risks relating to such an investment and who have sufficient financial means to absorb any potential loss stemming therefrom.*

2.1 RISKS RELATING TO THE ZF GROUP AND ITS BUSINESS

2.1.1 Risks relating to the ZF Group's Business and Industry

2.1.1.1 Products that do not meet customer specifications or that contain, or are perceived to contain, defects or errors or that are otherwise incompatible with their intended end use could impose significant costs on us, including from warranty and product liability claims. In addition, quality risks could also damage our reputation.

As a manufacturer, we are subject to product liability lawsuits or other proceedings potentially alleging strict liability, negligence, breach of warranty and breach of contract, as well as recall-related actions or fines imposed by government or regulatory authorities. Any such lawsuits, proceedings and other claims could result in increased costs for us. Defective products could result in loss of sales, loss of customers, and loss of market acceptance, in particular against the background that many of our products are important components which could have an impact on the overall safety, durability and performance of our customers' end product. In addition, where vehicle manufacturers are themselves exposed to product liability lawsuits, claims and/or vehicle recall claims due to products delivered by us, they may seek a contribution from us for any such liabilities and claims. Moreover, those manufacturers may attempt to modify or amend contractual terms and conditions concerning warranty and recall participation in the future. Our insurance coverage could prove insufficient in individual cases, our global warranty reserve may be insufficient to cover all warranty claims and we may not have sufficient stocks to cover all recalls in a timely manner. Additionally, any allegations of a defect in one of our products could also have a material adverse effect on our reputation and market perception, which in turn could have a significant adverse effect on our business, financial condition and results of operations.

This particularly applies to high-volume and safety-related products. We have supplied various designs of airbag control units (***ACUs***) to certain original equipment manufacturer (***OEM***) customers that include a particular design of application-specific integrated circuit (***ASIC***) supplied by another company. Electrical overstress (***EOS***) in ACUs has been observed in certain crash events involving certain vehicles equipped with this ACU and ASIC, where the crash event may, in and of itself, produce harmful signals on the sensor wiring capable of damaging the ASIC and there is no subsequent airbag deployment. Approximately 6.4 million vehicles equipped with our ACUs and this ASICs have been recalled since 2016 on a voluntary basis by four OEMs. By way of announcement dated April 23, 2019, the U.S. National Highway Traffic Safety Administration (**NHTSA**) estimated the total number of vehicles with a ZF ACU that uses the ASIC in question in the United States at approximately 12.3 million. NHTSA has now closed its investigation and concluded that "all vehicles with a demonstrated unreasonable risk have been recalled."

Between 2007 and 2012, we supplied approximately one million airbag modules to a U.S. OEM that contain certain hybrid, toroidal frontal airbag inflators supplied by ARC Automotive Inc. (***ARC***). NHTSA opened an investigation related to these ARC toroidal inflators (an estimated 51 million total in the U.S. across all suppliers and manufacturers between 2000 and January 2018). In September 2023, NHTSA issued an initial decision that the ARC inflators contain a defect related to motor vehicle safety. Per NHTSA regulations, the agency received public comments on that initial decision. NHTSA issued a Supplemental Initial Decision in July 2024, confirming that

ARC's inflators contain a safety defect. The agency received additional public comment. In December 2024, NHTSA issued a Memorandum of Continuation of ARC Investigation, indicating further investigation was warranted. The agency has not yet issued a final decision regarding the existence of a defect or the scope of any potential recall. We are cooperating with NHTSA in connection with this investigation. In addition, a class action lawsuit was filed against the company and several other suppliers and manufacturers in Michigan related to the ARC inflators. The Michigan litigation was transferred into multi-district litigation in Georgia related to the same ARC inflators and consolidated with several, substantively similar actions involving additional suppliers and manufacturers. We are vigorously defending the action. This is a developing matter. Therefore, we cannot predict the further outcome of such investigation and legal proceedings and their impact on the company.

There have been approximately 1.9 million recalls of vehicles with driver-side non-azide Fahrer Generator 2nd Generation single stage and dual-stage airbag inflators that used a specific propellant type (***FG2 Inflators***) manufactured by ZF Group between 1999 and 2016. We estimate that approximately 600,000 single stage and 2.8 million dual stage inflators with this propellant type were delivered by us over that time period, but cannot estimate how many remained in the field. In 2016-2017, Toyota recalled all approximately 600,000 single stage inflators supplied by us (TRW Automotive Holdings Corp. (***TRW Holding***, and together with its subsidiaries, ***TRW***)), and in 2022, Toyota announced recalls of an estimated total of 487,558 dual stage FG2 inflators from the model year 2002-2006 Avensis and Avensis Wagon models that used the same propellant. Starting in 2020, following a field event with a fatality in the United States involving a 2002 Volvo vehicle, Volvo has issued recalls for the model year 2001-2009 S60, the model year 2001-2006 S80, and the model year 2001-2007 V70 and XC70 vehicles that incorporated dual stage inflators with this propellant supplied by us (TRW) to Autoliv, who supplied the airbag modules to Volvo. Press reports quote Volvo stating that the global volume of these recalls is 767,551. ZF Group continues to cooperate with its customers and any regulator inquiries as to these inflators. As of the date of this Prospectus, there are no related legal proceedings currently pending against the Company concerning these inflators.

Furthermore, as a general rule, we manufacture many products pursuant to OEM customer specifications and quality requirements. If the products we manufacture and deliver to our OEM customers do not meet the requirements stipulated by our OEM customers at the agreed date of delivery, they may seek damages on the basis of breach of contract. Allegations of our failure to perform with respect to quality requirements could negatively affect the market acceptance of our other products and our market reputation in various market segments.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.2 The Russia-Ukraine War has adversely impacted and may continue to adversely impact our business.

Following Russia's invasion of Ukraine (the ***Russia-Ukraine War***), several nations, international organizations as well as the EU have imposed sanctions against Russia, Belarus and certain Ukrainian regions. These sanctions include the freezing of assets, restrictions on access to the global financial system, including the exclusion of certain Russian banks from SWIFT and banning transactions with the Central Bank of Russia or using its Financial Messaging System (SPFS) or equivalent systems, airspace bans, import bans on e.g. iron and steel products, coal, oil and gas, transit bans as well as export controls. As of December 16, 2024, such sanctions were further tightened by the EU with the 15th sanctions package, including further measures to prevent sanctions circumvention, extension of export restrictions and additional designation of individuals and entities on sanction lists.

As a result of such sanctions and the disruption in the energy supply resulting from the Russia-Ukraine War, global energy prices increased significantly in 2022, but, despite a reduction in 2023, still remaining at a level higher than before the war. Additional sanctions as well as further Russian counter-sanctions, currency restrictions and other retaliatory measures are likely to follow as the Russia-Ukraine War continues. Such sanctions and any Russian response thereto may result in heightened restrictions on the export of Russian coal, oil and gas to the EU, which could result in further increases in energy prices and could endanger the energy supply to the EU. Rising energy prices and disruptions in the energy supply could also result in higher prices for raw materials and components as the production costs of the suppliers increase accordingly.

These measures have had and will continue to have a significant macro-economic impact in Europe and globally, including contributing towards supply chain shortages, heightened levels of inflation and, potentially, a global economic downturn. It is not yet possible to predict with sufficient certainty the extent and impact which these and additional measures will have on the global economy, the financial markets and the industry's growth. See "*2.1.1.6 Adverse developments in the global economic environment and disruptions in financial markets could have an adverse impact on our business, financial condition and results of operations.*" Additionally, given the

fast-evolving situation with respect to sanctions, we might not be able to comply with such sanctions on time or at all. Any non-compliance might lead to high financial and reputational damages as well as criminal charges. See "*2.1.4.5 We are exposed to risks in relation to compliance with anti-corruption laws and regulations and economic sanction programs.*".

In the fiscal year ended December 31, 2021, we had sales of EUR 537 million in Russia and EUR 56 million in Ukraine. In the fiscal year ended December 31, 2022, we recorded sales of EUR 98 million in Russia and EUR 39 million in Ukraine. As a result of the Russia-Ukraine War, in March 2022, we decided to suspend all business activities in Belarus, Russia and the Ukrainian regions of Donetsk, Luhansk, Crimea and Sevastopol until further notice, including the deconsolidation and exit of our OOO ZF Kama joint venture in Russia. ZF Group has withdrawn from the ZF KAMA joint venture effective September 12, 2022. Additionally, we deconsolidated two Russian subsidiaries, which reduced our total assets by EUR 85 million and our total liabilities by EUR 60 million as of December 31, 2022. We also recognized an impairment on non-financial assets of EUR 17 million with regard to inventories and EUR 5 million with regard to property plant and equipment and we recognized impairments of financial assets amounting to EUR 30 million for the fiscal year ended December 31, 2022. We reclassified EUR 36 million from cash and cash equivalents to restricted cash. We also recognized a provision of EUR 3 million for claims in relation to financial guarantees we issued to our Russian subsidiaries. On June 20, 2023, we announced that the sale and transfer process of our former Russian subsidiaries, Wabco Rus LLC and Wabco Vostok LLC, by way of a management buy-out was completed. As of the date of this Prospectus, a subsidiary of ZF Friedrichshafen AG, AMT Russia OOO still has a minor active local repair service business in Russia which generated approximately EUR 13 million in sales in the fiscal year ended December 31, 2024. The Board of Management resolved to exit out of AMT Russia OOO on April 9, 2024. Following this decision, we are assessing available exit scenarios.

The Russia-Ukraine War has thus far been largely confined to the internationally recognized territory of Ukraine. However, several countries have provided military, diplomatic and economic support to Ukraine and certain countries have provided military, diplomatic and economic support to Russia. Should the Russia-Ukraine War spread to other territories outside of Ukraine (e.g., to a country within the North Atlantic Treaty Organization), or if Russia were to escalate the conflict further (e.g., by using (tactical) nuclear weapons), the effects on the global economy and geopolitical stability would be unpredictable. The continuation and potential expansion or escalation of the Russia-Ukraine War poses a material risk for the global economy, including the already strained supply chain, the energy supply and financial system, as well as European and global political stability, which could have a material adverse effect on our business, results of operations and financial condition, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.3 The Red Sea Crisis has adversely impacted and may continue to adversely impact our business.

On October 7, 2023, Hamas infiltrated Israel's southern border from Gaza and conducted a series of attacks on civilian and military targets. Following the attack, Israel's security cabinet declared war against Hamas and launched a military operation in Gaza. Starting in 2023 in response to Israel's continued military operations in Gaza, Houthi rebels attack commercial vessels transiting the Red Sea. These attacks have also led to a series of counterattacks carried out by the United States and the United Kingdom, in particular since January 2024 (the ***Red Sea Crisis***). We do not have operations in Israel or Gaza and sales generated in these regions are not material to the Group. To date we have not experienced any material disruption to our operations from the ongoing military action between Israel and Hamas. A continuation or expansion of the Red Sea Crisis could lead to a further reduction or suspension of shipping through the Red Sea, which may significantly disrupt global supply chains. Any larger regional war, for example as a result of the direct military or diplomatic involvement of Iran or member states of the Gulf Cooperation Council or their allies in the region, could lead to heightened geopolitical risks for our operations in the Middle East, including as a result of political instability, diplomatic tensions, and security threats to our personnel and assets in the Middle East. We may also face additional regulatory challenges, including compliance with international sanctions, export controls, and trade restrictions.

As a result of such disruptions to global supply chains resulting from the Red Sea Crisis, global supply lead times increased in the last quarter of 2023 continuing into 2024. In light of the increased security risks of transiting through the Red Sea, most major carriers have begun sending their vessels around the Cape of Good Hope instead, which has resulted in transit times that are approximately two weeks longer. Major carriers have now also introduced surcharges to compensate for higher freight costs.

Additional disruptions as a result of the increased targeting of shipping vessels and the response thereto are likely to follow as the Red Sea Crisis continues. Such disruptions may result in heightened costs on the export of oil and

gas to Europe and other regions where we operate, which could result in further increases in energy prices. Rising energy prices and disruptions in the energy supply could also result in higher prices for raw materials and components as the production costs of our suppliers increase accordingly.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.4 We operate in a cyclical industry and our business could be adversely impacted by periodic downturns in target markets, in particular within the automotive industry.

Sales to our customers in all our industries, and particularly the automotive industry sectors of cars, light commercial vehicles and commercial vehicles (which together generated 92.6% of our total sales in the fiscal year ended December 31, 2024) are cyclical and depend, among other things, on general economic conditions as well as on consumer spending and preferences, which can be affected by a number of factors, including effects from and in connection with the Russia-Ukraine War, supply chain disruptions, tariffs, interest rate levels, inflation, employment, consumer behavior (e.g., consumer confidence and spending), energy costs, regulatory requirements, the availability of consumer financing and military operations around important supply routes. See "*2.1.1.6 Adverse developments in the global economic environment and disruptions in financial markets could have an adverse impact on our business, financial condition and results of operations.*" and "*2.1.1.2 The Russia-Ukraine War has adversely impacted and may continue to adversely impact our business.*"

Sales to our customers in industrial markets, including in our sector of construction and agricultural machinery, marine craft, special and rail vehicles and wind power (which generated 8% of our total sales in the fiscal year ended December 31, 2024) primarily depend on, among other things, fiscal policies, infrastructure programs or consumer behavior in general in certain countries or industry sectors. Due to this wide variety of factors influencing our markets, the demand for our products is characterized by volatility. In addition, automotive and industrial OEMs generally do not commit to purchasing minimum quantities from their suppliers. These uncertainties make it difficult for us to accurately estimate the ideal level of production capacity or reliably predict our future working capital requirements. If markets and, consequently, our sales develop differently than expected in our planning, our production facilities may be left underutilized, resulting in idle costs, impairment losses and falling sales prices.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.5 Our business could suffer if we are not able to develop new technologies and new business models and/or if we cannot keep pace with the technical developments of our competitors or new entrants.

Our customers demand increasingly complex and innovative solutions to meet their needs. The ability to anticipate technological trends and respond to customer needs by developing innovative solutions in a timely manner is crucial to major parts of our business. In particular, electric mobility (from plug-in hybrids to fully electric mobility), automated and autonomous driving and especially software-defined vehicles are major trends in the automotive industry. Developments into newer technologies in these areas require increasing amounts of spending on research and development (***R&D***) in parallel, particularly in the area of software development. In the fiscal year ended December 31, 2024, we invested EUR 3,557 million into R&D (2023: EUR 3,543 million) and we expect these costs will further increase to account for the technological challenges related to current market trends. Additional factors influencing R&D costs include an increasing level of local-for-local requirements, tighter emissions regulations and the uncertainty about the speed of decline of the traditional combustion engine and its unknown legal implications, growing environmental awareness and an increasing demand for active driver assistance functions up to and including automated driving and the associated future mobility concepts. We also face a major change in electronic architectures and a shift from hardware to software defined technologies.

The automotive industry is currently undergoing significant transformations, particularly towards the electrification of powertrains. Forecasting the precise speed of this shift is extremely challenging due to numerous influencing factors. The ramp-up of electric mobility, for example, is taking place at a slower pace than originally predicted. Regulatory changes, which can occur rapidly as seen recently in the USA, play a crucial role. Additionally, customer preferences, access to raw materials, cost developments of new technologies, and the performance capabilities of components (e.g., energy density of batteries), all contribute to the complexity of forecasting the industry's trajectory. Even in the realm of passenger cars, transitional technologies still play a significant role. For instance, range extenders are being utilized in markets like China to bridge the gap between

traditional internal combustion engines and fully electric vehicles. However, it remains challenging to predict the extent and duration of reliance on these transitional technologies. In the realm of trucks, the pace of electrification is slower and often delayed compared to passenger cars. However, the situation is further complicated by the variety of powertrain options being discussed, including battery electric vehicles, hydrogen fuel cells, hydrogen combustion engines, hybrids, and natural gas.

Moreover, the industry faces the challenge of allocating scarce resources for the development and establishment of production capacities for future-oriented technologies. Shortening product development cycles is also a significant challenge. Staying competitive in areas such as software-defined vehicles is essential. The ability to keep pace with market demands, or ideally, to lead the way, is crucial. Components must seamlessly integrate into a software-defined vehicle concept to ensure product success in the market. Additionally, the industry must navigate the complexities of global supply chains, which can be disrupted by geopolitical tensions, trade policies, and other external factors. This adds another layer of difficulty in planning and executing strategies for the future profitability and we may not be able to successfully foresee and assess these changes and to successfully adapt and implement our strategy for future development. This is particularly relevant as the development of products sold by us and the ramp-up of new product lines requires substantial amounts of time and investment, including research and production costs as frontloading, because R&D budgets need to be spent several years before the market success sets in to refinance.

Furthermore, product development and optimization processes can be subject to delays, particularly due to increasingly interconnected supply chains. Designing and testing products to match a customer's specifications, as well as establishing additional production lines or new facilities where required, entail significant costs. Cost deviations from original product planning can also occur, particularly within long-term development projects. The progressive electrification in the passenger car and commercial vehicle segment, as well as other technological changes, may jeopardize our market position, and we may not be able to successfully foresee and adapt to these developments by stepping up sufficient activities in these new sectors and to successfully expand our expertise in new technologies. If we are unable to recoup these start-up costs, manage our labor and equipment resources effectively in connection with the development of new technologies or the launch of new platforms, or to correctly estimate required resources, our gross margins and results of operations could be adversely affected.

In addition, innovative and increasingly complex products and solutions are particularly exposed to the risk of yet unknown and/or undetected defects and errors which in turn may expose us to increased risk from warranty and product liability claims. See also "*2.1.1.1 Products that do not meet customer specifications or that contain, or are perceived to contain, defects or errors or that are otherwise incompatible with their intended end use could impose significant costs on us, including from warranty and product liability claims. In addition, quality risks could also damage our reputation.*" If we fail to innovate and develop new solutions, fail to develop enough new solutions to generate sufficient sales, or if our future solutions fail to receive regulatory approval, or if we fail to introduce new products of sufficient quality or are otherwise unsuccessful to adapt our business to trends, technical developments or customer demand, this failure could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

Generally, ZF Group is also facing risks regarding sustainability and environmental protection. This is a particular consequence of increased civil awareness and respective demands resulting from the debate on climate change. Relevant legislative and regulatory action is implemented worldwide. Significant past investments were required to improve our environmental performance in preparation for new regulations and customer expectations. Relevant measures regarding legislation and regulation are further substantiated, binding regulations for the implementation of decarbonization and sustainability measures in general are rather expected in the short and medium term. We expect additional investments to be necessary to further improve our performance in relation to environmental, social and governance (***ESG***) matters and prepare for new and more specific regulations and customer expectations, as well as to meet our net zero sustainability targets by 2040. More recently, certain stakeholders and regulators have questioned the appropriateness of or object to sustainability initiatives and have expressed or pursued negative views, legislation and investment expectations with respect to sustainability initiatives, including the enactment or proposal of "Anti-ESG" legislation or policies. This increased “anti-ESG” sentiment has been gaining momentum especially in the United States, with several states and congress having proposed or enacted “anti-ESG” policies, legislation, initiatives, or issued related legal opinions. As a result of ‘anti-ESG’ sentiment among certain stakeholders, including governmental authorities, regulators, shareholders and customers, we may face increased criticism and associated reputational harm and the demand for our products, sales and our ability to pursue our sustainability goals could be negatively affected.

2.1.1.6 Adverse developments in the global economic environment and disruptions in financial markets could have an adverse impact on our business, financial condition and results of operations.

We are exposed to substantial risks associated with the performance of the global economy and global financial markets. In general, demand for automotive products and services as well as for the industrial sectors is highly cyclical and directly related to the strength of the global economy. Therefore, our income and results of operations have been, and will continue to be, influenced by the general state and the performance of the global economy. See also "*2.1.1.4 We operate in a cyclical industry and our business could be adversely impacted by periodic downturns in target markets, in particular within the automotive industry*"

The global economy has been severely impacted by the Russia-Ukraine War, with heightened levels of inflation and reduced gross domestic product growth around the world. Global headline inflation is expected to decline to 4.2 percent in 2025 and to 3.5 percent in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies (Source: International Monetary Fund). Global growth is projected at 3.3 percent both in 2025 and 2026, below the historical (2000–19) average of 3.7 percent (Source: International Monetary Fund). The risk of renewed inflationary pressures could prompt central banks to raise policy rates and intensify monetary policy divergence. Higher-for-even-longer interest rates could worsen fiscal, financial, and external risks (Source: International Monetary Fund).

Although the U.S. economy currently appears to be withstanding the global economic headwinds, supported, in part, by resilient consumer spending and various economic stimulus measures, there can be no assurance that such measures will avoid economic downturn.

The state of the global economy could be exacerbated by geopolitical instability. Diplomatic tensions and protectionist tendencies between individual countries can lead to volatile financial markets as well as unfavorable global market developments and supply chain disruptions. Such protectionist tendencies have been increased as a result of the Russia-Ukraine War, the exit of the United Kingdom from the EU, the increasing geopolitical tension between the United States and China, the recent measures by the European Union against Chinese imports as well as the United States government's recent tariff agenda against several countries around the world. We continue to expect tariffs, trade barriers and trends towards onshoring and near-shoring, such as the United States' CHIPS and Science Act, which entered into force in August 2022 and may affect the global supply chain for semiconductors, or the recently introduced tariffs on steel and aluminum imports by the United States. The trend towards protectionist economic policies with increased trade barriers and tariffs has a strong impact on Germany as an industrial location with an export-oriented business model as well as the on the globally networked automotive and supplier industry.

If diplomatic tensions escalate, they may result in military conflicts which may further destabilize the global economy. The Russia-Ukraine War and the Red Sea Crisis have resulted in supply chain disruptions and increased volatility in the prices of important commodities such as oil and natural gas which may exacerbate the negative impacts of such supply chain disruptions on the global economy. See "*2.1.1.2 The Russia-Ukraine War has adversely impacted and may continue to adversely impact our business.*" and "*2.1.1.6 Adverse developments in the global economic environment and disruptions in financial markets could have an adverse impact on our business, financial condition and results of operations.*" Diplomatic tensions between China and Taiwan have also been increasing with China's 2023 Government Work Report reiterating China's goal of "reunification" with Taiwan. If such diplomatic tensions escalate, they may lead to an increase of coercive measures by China against Taiwan, e.g. imposing a quarantine of the island by using civil forces, or an escalation into a military conflict. Such a scenario and the responses from other countries in the region, the United States and Europe may negatively impact the global economy, disrupt significant Asian and international supply chains and result in new sanctions regimes, tariffs and trade barriers. An escalating conflict between China and Taiwan may also result in a severe semiconductor shortage as Taiwan produces approximately 60% of the world's semiconductors. If semiconductor suppliers are not able to continue manufacturing and exporting their semiconductors or we are not able to acquire them, we may not be able to fulfil orders from our customers in time or at all, and may, as a result, may lose customers or otherwise see a decrease in our sales. Tariffs and increasing customs duties on raw materials, vehicle and parts imports from global markets may significantly affect our value chains as well as those of our customers and suppliers, which could be detrimental to our sales, profitability and financing conditions.

As a result of the continuing trade conflicts between the United States and China, there is a risk that more countries could be affected. The growing tendencies towards protectionism and potential restrictions and limitations impacting international trade may have a negative impact on the export economy in general, and on our sales and results of operations in particular. We particularly see the risk that individual countries might take further protectionist measures when trying to protect or improve their competitiveness on the global market, and other

countries may institute corresponding countermeasures. This might result in market access barriers, such as higher import duties or more complicated certification processes in order to reduce imports, up to an international trade war. Due to the current increase in protectionist tendencies around the world, we particularly see ourselves at risk from additional or higher tariffs on automobiles and on the products, components and raw materials we supply or purchase. For example, U.S. tariffs on raw steel and aluminum under Section 232 of the Trade Expansion Act of 1962 and U.S. tariffs on Chinese imports under Section 301 of the Trade Act of 1974 have resulted in higher costs for U.S. imports of certain raw steel and aluminum products as well as certain items sourced from China, respectively. In addition to tariff adjustments, we see ourselves and our supply chain at risk from export bans on raw materials or vehicle parts. For example, starting in August 2023, China imposed new export controls for gallium and germanium related products which are critical for semiconductors and electronics.

On October 4, 2023, the European Commission announced its formal launch of an anti-subsidy investigation into imports of battery electric vehicles made in China. The investigation will first determine whether the electric vehicle industry in China benefits from illegal subsidization and whether this subsidization causes or threatens to cause negative economic effects on the European electric vehicle industry. In May 2024 the US Government announced to introduce 100% tariffs on Chinese plug-in electric vehicles (BEVs), the EU followed in June 2024 with publishing its preliminary findings of the ongoing anti-subsidies investigation and announcing preliminary additional duties from 17.4% to 38.1% (on top of the existing EU import duty of 10.0%). Anti-subsidy duties may increase the price of electric vehicles made in China in the European market, leading to decreased demand for such vehicles, which in turn may lead to a reduction in sales of our electric vehicle batteries to vehicle manufacturers in China. China may impose retaliatory measures, such as anti-subsidy duties, investigations of imports, raising tariffs or trade restrictions on European products. Increasing tensions and protectionist tendencies between the EU and China may result in a trade war.

In April 2025, the United States government has imposed a 25% tariff on imports of automobiles and certain automobile parts. The 25% tariff applies to imported passenger vehicles and light trucks and is expected to apply to key automobile parts (e.g. engines, transmissions, shock absorbers, spark plug wires and brake hoses) on or around May 3, 2025, with processes to expand tariffs on further automobile parts. In addition, the United States government announced on April 2, 2025 to impose a 10% base tariff on all countries and an individualized reciprocal higher tariff on the countries with which the United States has the largest trade deficits. On April 9, 2025, the United States government announced to pause the implementation of the individualized reciprocal tariff for most of the targeted countries, including the EU, for 90 days. The protectionist measures of the United States government have led and are expected to lead to further countermeasures from other countries, which may result in a global trade war. ZF Group's imports in the United States are affected or expected to be affected by these tariffs. The tariffs could change the U.S. consumer behavior due to higher prices for ZF Group products compared to U.S. products and may negatively affect our business, sales and market growth in North America, which is our second largest sales market. ZF closely monitors the U.S. tariff developments and the global trade environment. However, it is currently unpredictable as to when and to what extent further or suspended tariff regimes and related countermeasures can be expected to be implemented.

These and other measures and/or tariffs could lead to a growing uncertainty on the demand side and a decrease in the sales of vehicles, in demand for automotive products and services in the industrial sector, causing demand for our products to drop and/or costs to increase. Moreover, fiercer competition, especially in our key sales markets in Europe, the United States, India and China, may also adversely affect our sales development and sales prices.

Furthermore, any public health pandemic or other disease outbreaks in countries where we, our customers or our suppliers operate have had, and could in the future continue to have a material and adverse effect on our business, financial conditions and results of operations. The COVID-19 pandemic has spread across all our key regions and led to a number of adverse effects on our business and results of operations. Governmental authorities around the world have implemented measures to reduce the spread of COVID-19, resulting in a substantial curtailment of the global economy. These measures, such as lockdowns, travel bans, quarantines, stay-at-home orders and similar mandates, have and may in the future continue to adversely affect workforces, consumer sentiment and retail sales, economies, financial markets, and, along with decreased consumer spending, have led to an economic downturn in many of the markets in which we and our customers operate and continue to provide uncertainty, in particular as automotive sales by our OEM customers are highly sensitive to the performance of the global economy.

Epidemics, pandemics (such as the COVID-19 pandemic) or other similar outbreaks can impact our sales by supply bottlenecks, particularly by shortages of semiconductors, and sharp increases in the costs of raw materials, particularly in manufacturing. Such supply bottlenecks impact our production capacity and negatively impact our total sales, and in certain cases (such as with semiconductors) we do not have back-to-back agreements with OEMs to pass through cost increases and may not be able to pass through all of such cost increases to our customers.

Such effects were later compounded by the Russia-Ukraine War, heightened inflation and rising interest rates around the world. See also "*2.1.1.4 We operate in a cyclical industry and our business could be adversely impacted by periodic downturns in target markets, in particular within the automotive industry*" and "*2.1.1.2 The Russia-Ukraine War has adversely impacted and may continue to adversely impact our business.*"

The factors mentioned above, including factors relating to other similar outbreaks, epidemics or pandemics, and the effects thereof are difficult to predict and adverse developments in one or more of these areas could have a material adverse effect on our business, results of operations and financial condition.

There are various other factors that may have an impact on the global economy and the demand for our products, such as structural deficits and economic downturns in certain countries – especially Argentina, Brazil, India and China. Economic downturns in these countries may particularly lead to declining sales and payment defaults. Low growth rates and trade barriers in China are of a particular risk to our Electrified Powertrain Technology (formerly Car Powertrain Technology and E-Mobility), Chassis Solutions (established on January 1, 2024 with the merger of the Car Chassis Technology division and the Active Safety Systems division), Electronics and Advanced Driver Assistance Systems (ADAS), ZF LIFETEC (established in March 2024 with the carve-out of the Passive Safety Systems division), Commercial Vehicle Solutions (established on January 1, 2022 with the merger of the Commercial Vehicle Control Systems division and the Commercial Vehicle Technology division) as well as our Industrial Technology divisions.

Any downturn in the European and global economies could cause demand in our relevant market segments to decline and adversely affect our business, results of operations and financial condition, which could in turn (in particular in the event of a significant and sudden decline of our sales) adversely affect our financing conditions and our ability to meet our financial covenants and other obligations under our credit facilities or other indebtedness, and to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.7 The demand for our products is subject to fluctuations. If our production capacities or the management of our supply chains do not meet the actual demand for our products, or if market demand shifts away from vehicles to which we supply significant parts, this could affect our results of operations.

If markets do not grow or if they shrink faster than we have anticipated, we risk underutilization of our production facilities. Market developments and industry overcapacity may lead to underutilization of our production facilities, which may result in idle capacity costs, write-offs of inventories and fixed assets as well as losses on products due to falling average selling prices. Fluctuations in the rate at which industry capacity grows relative to the growth rate of demand for our products may in the future put pressure on our average selling prices and negatively affect our results of operations. However, during periods of increased demand, we may not have sufficient capacity to meet customer orders. Following the Russia-Ukraine War, despite a stabilization and increase in the number and value of orders as customers aimed to ensure that they had adequate supply on hand to continue manufacture and delivery of their own products, we had to adapt our order volumes accordingly. In 2024, we decided again to take a cautious approach regarding orders for the global market for passenger car sales and light commercial vehicle sales. As global vehicle production in 2025 is showing signs of weakening, there is no assurance that our order books remain stable in the future. Impact of tariffs, continuing high vehicle pricing and financing costs as well as a restrained demand in key markets such as Europe, North America and China are contributing factors, with challenges exacerbated by inventory restocking issues that might lead to lower production volume.

In the past, we have responded to increases in demand by opening new production facilities, providing for additional capacities in existing production facilities or entering into strategic alliances, and we have responded to decreases in demand by implementing reductions in temporary staff and overtimes. Such responses, in many cases, resulted in significant expenditures. If we are unable to meet rapidly increasing customer demand, we may be exposed to damage claims or even lose customers, resulting in a loss of market share. For example, we may reduce product stock to adjust for customer demand, but may be unable to increase stock fast enough to meet rising demand, may incur costs for restarting production, or may be liable for damages or otherwise required to reimburse customers if stock cannot be procured in a timely manner. However, investments in new production capacity can lead to overcapacity, smaller margins and increased expenditures that cannot be invested elsewhere.

Furthermore, vehicle markets may shift faster than we are able to adapt. While we supply parts for a wide variety of vehicles produced globally, we do not supply parts for all vehicles produced, nor is the number or value of parts we supply evenly distributed among the vehicles for which we do supply parts. Shifts in market shares among vehicles or vehicle segments, particularly shifts away from vehicles for which we supply significant parts and

shifts away from vehicle segments in which our sales may be more heavily concentrated, could have a material adverse effect on our profitability.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.8 The industry in which we operate is characterized by intense competition, volatility of costs and commoditization of products, which could reduce our sales and/or put continued pressure on our sales prices.

The markets in which we operate are highly competitive, particularly in our key sales markets in Europe, the U.S. and China, and have been characterized by changes in market penetration, increased price competition, and the development and introduction of new products, product designs and technologies by significant existing and new competitors. In particular, the use of software, networking and artificial intelligence in the mobility market has seen the entrance of numerous new players from other industries seeking to leverage attractive growth opportunities. We compete primarily on the basis of price, quality, timeliness of delivery and design as well as the ability to provide engineering support and service on a global basis. Should we fail to secure the quality of our products and the reliability of our supply in the future, then our customers could decide to procure products from our competitors.

The automotive industry, in particular, has been characterized by rapid technological change, high capital expenditures, intense pricing pressure from major OEM customers, periods of overcapacity and continuous advancements in process technologies and manufacturing facilities. New competitors enter the market, as well as new customers who bring new customer needs and demands to which we may be unable to adapt. We compete with other international suppliers and, to a lesser extent, regional companies. Especially in new technology fields (e.g., software and software-based functions) we increasingly compete with new competitors such as software tech giants. Increasing pricing-pressure in a more competitive market environment, combined with increased requirements concerning product performance and enhanced functionalities may create a challenge to offset effects from a price and cost perspective. If we became unable to offset price reductions through improved operating efficiencies and the realization of synergies, price reductions could negatively impact our profit margins.

In addition, as commodities, raw materials and energy are subject to price fluctuations and volatility, inflation rates could continue to increase pressure on our earnings. Fluctuations in raw material prices are largely covered by back-to-back agreements with our OEMs. However, certain cost increases in areas such as energy, labor and semiconductors are not covered contractually with our OEMs. The pass-through of such cost increases is then subject to individual negotiations where applicable, which can lead to certain cost increases being absorbed by us. Further on, the acquisition of future quoted OEM business could be negatively impacted.

Furthermore, establishing a strong position in the Asia-Pacific region is a key component of our global growth strategy. While the automotive supply market in Asia-Pacific is already highly competitive, as the size of the Asia-Pacific region, in particular in China and India, continues to be the world's biggest market with long term growth potential, additional competitors may seek to enter the Asia-Pacific region and the global market, and may act aggressively to establish their market share, increasing competition further. Competition can lead to price reductions, reduced margins and an inability to gain or maintain market share. If we are unable to compete successfully, our sales, profitability and financial condition could be adversely affected.

Continued protectionist measures in individual countries trying to increase competitiveness in global markets may adversely affect sales developments and sales prices and our ability to offer our products in a given country. In addition, tariffs on vehicles and parts imports from global markets significantly affect our value chain as well as those of our customers and suppliers, which could be detrimental to our sales and profits. We continue to see trade conflicts between the U.S. and China as well as recent measures by the European Union as a major risk. If we are unable to successfully adapt our business to these competitive needs, our sales, profitability and financial condition could be adversely affected. See "*2.1.1.6 Adverse developments in the global economic environment and disruptions in financial markets could have an adverse impact on our business, financial condition and results of operations.*"

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.9 Due to the characteristics of the industry in which we operate, a substantial portion of our sales is generated from a limited number of customers. The loss or default of, or a significant reduction in purchases by, such key customers could have a material adverse effect on our results.

We generate a substantial portion of our sales from a limited number of customers, predominantly from OEMs in the automotive industry. In the fiscal year ended December 31, 2024, our top ten customers accounted for 61.7% of our sales (2023: 61.0%). If one or more of our major customers ceases to do business with us or significantly reduces orders, this would significantly reduce volumes, sales and earnings and worsen our cost situation, in particular the coverage of fixed costs. In addition, the original investments made by us to provide such services or products, or outstanding claims against such customers, could be lost. Furthermore, our customers in the automotive industry have a powerful bargaining position and are therefore able to exert a high degree of influence on the terms and conditions of contracts. This may lead to disadvantageous conditions for us in these contracts. These risks might even get bigger if some OEMs would decide to merge or to cooperate. Additionally, we may suffer losses in the event that one or more of our larger customers should become unable to fulfill its or their contractual obligations vis-à-vis us or should become insolvent (counterparty default).

The automotive industry is highly competitive and subject to pricing pressure. We may need to reduce the prices of our products, thereby reducing our margins, to maintain our customer relationships in the face of new market entrants in China and the Asia Pacific region, in particular manufacturers in the electric vehicle industry. In light of the rapid emergence of Chinese low-cost electric vehicle manufacturers, regulators in the US and the EU have introduced or announced measures to limit or disincentivize the importation of Chinese electric vehicles into the US and the EU. Such measures may negatively impact the operations of our customers in China and, as a result, impact our sales and results of operation. See "*2.1.1.8 The industry in which we operate is characterized by intense competition, volatility of costs and commoditization of products, which could reduce our sales and/or put continued pressure on our sales prices.*"

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.10 A decline in the financial condition of OEMs or other customers or suppliers with which we conduct business could have a material adverse impact on our business, financial condition and results of operations.

The financial condition of our customers is affected by the sales of their vehicles, in the case of OEMs, which may be impacted by several factors, including general economic conditions, new market entrants or changes in consumer behavior. In particular, purchases of our customers' products may be limited by their customers' inability to obtain adequate financing for such purchases. Any material weakening of the sales of our largest customers could directly impact our business, financial condition and results of operations due to the potential postponement or cancelation of their planned purchases or the potential delay of their designs of new platforms. We also may not be able to fully or accurately assess the creditworthiness of our customers, which may subject us to counterparty credit risk.

In addition, significantly lower global production levels, tightened liquidity and increased cost of capital have historically combined to cause financial distress among many OEMs and other customers and suppliers in the automotive industry and could have similar impact in the future. For instance, during the economic downturn as a consequence of the global financial crisis in 2008 and 2009, OEMs and other customers and suppliers in the automotive industry suffered from declines in sales and production, which, together with structural issues specific to a number of these companies (such as significant overcapacity and pension and healthcare costs), caused certain of these companies to undergo restructurings. Any similar decline in the creditworthiness of our customers in the future could result in an increased default risk with respect to our trade receivables and there can be no assurance that any financial arrangements provided to these companies, or even a successful reorganization of such companies through bankruptcy, will guarantee their continued viability. Any such increase in default risk or decline in the financial condition of our customers could have a material adverse effect on our business, financial condition and results of operations.

2.1.1.11 A reduction in outsourcing activities or the insourcing of activities by our customers, or the loss of any material production or assembly programs, combined with a failure to secure sufficient alternative programs, could have a material adverse effect on our profitability.

We depend on the outsourcing of components, modules and assemblies by automobile manufacturers. The extent of automobile manufacturer outsourcing is influenced by a number of factors, including relative cost, quality and timeliness of production by suppliers as compared to automobile manufacturers; capacity utilization; automobile manufacturers' perceptions regarding the strategic importance of certain components/modules to them; labor relations among automobile manufacturers, their employees and unions; access to capital; and other considerations. A reduction in outsourcing activities or the insourcing of activities by automobile manufacturers, or the loss of any material production or assembly programs combined with the failure to secure alternative programs with sufficient volumes and margins, could have a material adverse effect on our profitability. Furthermore, due to increasing electrification, in particular regarding pure battery electric vehicles, many OEMs face a significant reduction in value-add components for traditional combustion engine vehicles (e.g., engines, transmissions and exhausts). In order to off-set the losses resulting therefrom, these OEMs may consider insourcing electrical components.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.12 We rely on a limited number of suppliers for certain products, manufacturing equipment and materials and could suffer shortages if these suppliers were to interrupt the supply or increase their prices.

We require substantial amounts of raw materials, components and electric power. We are subject to the risk that any or all of these materials may face decreases in available supply, rise significantly in cost or become unavailable. See also "*2.1.1.8 The industry in which we operate is characterized by intense competition, volatility of costs and commoditization of products, which could reduce our sales and/or put continued pressure on our sales prices.*" For example, in the fiscal year ended December 31, 2024, our top ten suppliers accounted for 8.8% of our cost of sales. Reliance on a single supplier cannot always be avoided and, consequently, we are dependent on certain suppliers, including their financial stability and other problems affecting them.

Furthermore, our procurement logistics may experience supply delays, cancellations, strikes, insufficient quantities or inadequate quality which would result in interruptions in production and, therefore, have a negative impact on our production capacity and lead to underutilization of our production sites. This in turn may cause delays in the delivery of products to our customers in these areas. If any one of our suppliers becomes unable to meet our delivery requirements for any reason (for example, due to financial distress, insolvency, force majeure, the Russia-Ukraine War, the Red Sea Crisis or similar conflicts, subcontractor default or refusal to perform following a change in control), we might be unable to source input products from other suppliers on short notice and/ or at the required volume or we might be required to pay higher prices for these products, which would reduce our operating margin. Furthermore, if we are unable to provide our products to our customers in the agreed time, quantity or quality due to such interruptions, this could also lead to order cancellations or even claims for damages against us. In order to avoid disruptions to our operations, we may have to support our suppliers on a temporary basis which could negatively impact our sales, liquidity and results of operations. For example, in 2023 and 2024 we agreed to unit price increases with several financially distressed suppliers of castings to help them avoid insolvency. An overall increasing number of supplier insolvency cases, especially in Germany, are elevating the risk of putting the supply chain under pressure and are sometimes associated with considerable costs for ZF.

In terms of production materials, we particularly rely on casting suppliers that are also single-source suppliers in many cases. The casting industry is facing significant financial challenges caused by higher costs (such for labor, energy or interest rates), new competitors and a decline in business with conventional vehicles as a result of the transformation towards the electrification of powertrains. In many cases, casting suppliers do not have the ability and financial resources to effectively and profitably adapt to change their business model in line with the powertrain transformation. In several cases, the new business with electric mobility cannot compensate for the losses in their conventional business, which is characterized by high capital expenditure and energy consumption. In addition, the casting industry is negatively affected by sustained high energy prices in Central Europe. As a result of these developments, the numbers of insolvencies as well as casting suppliers in distressed situations increased significantly in 2024. We are developing and implementing strategies to become less reliant on certain casting suppliers, in particular in Germany, and, in some cases, we have provided financial support to avoid supply disruptions. Depending on a case-by-case analysis we also support restructuring processes of our casting suppliers. However, there can be no assurance that our efforts are sufficient, the respective distressed casting supplier regain their financial stability or that we will be able to find a surrogate for them without any material impact on our procurement logistics or production capacities. We observe that the macroeconomic environment particularly in Germany is also negatively affecting other industries we rely on, e.g. machining and steel component producers. It is possible that the situation in these industries become similar to the situation for the casting industry. Any such

development may also result in significant pressure on our procurement logistics and production capacities and can adversely affect our revenue and profitability.

We are also exposed to risks in connection with trade credit insurances. Our suppliers and factoring providers have obtained cover notes from various insurers for a certain amount of trade receivables from us. The amount of the cover note and the terms and conditions of these trade credit insurances depend on our credit assessment and grade assessed by the respective insurer. If the insurers downgrade us, this could have a negative impact on our creditworthiness and liquidity. This could, inter alia, lead to a reduction of payment terms and/or requests for advance payment from suppliers and non-delivery situations. In February 2025, one credit insurer informed us about an upcoming downgrade of ZF Group, with the result that the amount of the cover note would be reduced significantly. The downgrading could negatively impact our relationship with other business partners (our suppliers, other credit insurance companies or factoring providers), e.g. increased costs in relation to our suppliers as compensation for increased default risks. However, we talked with all of our relevant business partners and were informed that they do not take any actions until further notice.

Furthermore, we are exposed to the risk of impending claims for damages by suppliers who have received call-off orders from ZF that were not, or only partially, fulfilled due to volume reductions on the distribution side of ZF on short notice. In the case of decreased volumes in the automotive market, there is also a risk of increased prices on the procurement side for ZF.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.1.13 We may face risks relating to climate change that could have an adverse impact on our business.

The consequences of global warming include more weather extremes leading to, but not limited to, floods, storms, and droughts including water scarcity. Besides these physical risks, both acute and chronic, which may lead to more severe direct and indirect impacts on our entire value chain, especially on our supply chain and production facilities, in the long run, transitional risks may arise. Those transitional risks may result from, e.g., carbon price increases, affecting amongst others the purchase of energy-intense raw materials (e.g., steel and iron casting) and logistic costs, or a decreased demand for fossil fuel-based technologies, e.g., due to stricter regulations on exhaust gas and energy consumption values of vehicles. Globally, greenhouse gas emissions have increasingly become the subject of substantial international, national, regional, state and local attention. Additional greenhouse gas regulations in any of the markets in which we operate could require us to modify existing or obtain new permits, implement additional processes and pollution control technology, curtail operations or increase our operating costs. In addition, customer requirements increasingly include mandatory and measurable ESG-related requirements, in particular, but not limited to, scope 3 upstream (suppliers) emissions, renewable energy and circular economy. Our OEM customers may request from us lower or even CO_2-neutral energy consumption levels or they may seek price reductions from us to account for their increased costs resulting from greenhouse gas regulations or to account for their own emissions targets. To mitigate those risks our strategy prioritizes the reduction of greenhouse gases. We intend to reduce scope 1 and 2 emissions for our own operations by 80% until 2030. For upstream emissions a reduction by 40% measured against sales is the target for the same period. Our ambition is to reach net zero emissions for all three scopes until 2040. Further, growing pressure to reduce greenhouse gas emissions in the mobility sector could reduce vehicle sales, thereby reducing demand for our products and ultimately our sales. Thus, any additional regulation of greenhouse gas emissions, including through a cap-and-trade system, technology mandate, emissions tariffs and tax, reporting requirement or other program, could adversely affect our business, results of operations, financial condition, reputation, product demand and liquidity, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline. See also "*2.1.1.5 Our business could suffer if we are not able to develop new technologies and new business models and/or if we cannot keep pace with the technical developments of our competitors or new entrants.*"

2.1.2 Risks relating to the ZF Group's Business Operations

2.1.2.1 We may not be able to successfully execute our business plan and strategic objectives and we may not achieve our targets or expectations for our business.

We have dedicated significant resources to further enhance our global presence. We intend to continue pursuing this expansion strategy, particularly in growing markets such as the Asia-Pacific region and the U.S. We may be unable to generate or secure sufficient funding to finance our development and growth activities in the longer term

or identify additional appropriate add-on acquisition targets, which could cause us to lose our competitive position in these important developed and growing regional markets. Furthermore, if we invest in emerging markets that do not develop as expected, or that deteriorate due to economic, political or other reasons, and our customers do not succeed, all or part of these investments may be lost. We also depend on the success of our customers in the markets in which we intend to grow. Finally, we may in the future consider corporate or operational reorganizations and carve-outs (such as the consolidation of the Active Safety Systems division and the Car Chassis Technology division into our new Chassis Solutions division, our joint venture with Foxconn and the rebranding and carve-out of our Passive Safety Systems division (ZF LIFETEC)) which we believe to be strategically or commercially beneficial, and there can be no assurance that the intended benefits of any such reorganization or carve-out would be realized or that any such reorganization or carve-out would not have unforeseen negative consequences. The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

In addition, we may not achieve the targets which, as part of our strategy, we set for our business, including goals related to sales generation, performance programs, margin growth and cost discipline. Our ability to achieve any guidance or targets set by management, including our aim to reduce the cost basis Group-wide by EUR 6 billion by the end of 2025, are dependent on a variety of factors including market performance, timely implementation of cost measures, regulatory developments and continuity of our business and management. ZF plans to restructure its organization and the number of employees in Germany is to be reduced by 11,000 to 14,000 by 2028. In addition, factors such as increased competition or an unanticipated change in market trends, market prices or behavior of our customers could lead us to require more time to achieve these targets or prevent us from reaching them at all. A failure to achieve our business and strategic objectives could have a material adverse effect on our reputation, income, leverage, results of operations and financial position.

2.1.2.2 We are subject to risks related to our international operations which could have an adverse impact on our business, financial condition and results of operations.

Since our inception we have expanded our footprint worldwide. In the fiscal year ended December 31, 2024, our sales to customers in EMEA accounted for 46.8% of our sales (44.7% in the fiscal year ended December 31, 2023). In the markets of North and South America, we generated 30.4% of our sales in the fiscal year ended December 31, 2024 (31.1% in the fiscal year ended December 31, 2023). Asia-Pacific region accounted for 22.9% of total sales in the fiscal year ended December 31, 2024 (24.2% in the fiscal year ended December 31, 2023), with China being the most important single market. Any expansion of our business requires, that we establish new offices, manufacturing facilities, hire new personnel and manage businesses in widely disparate locations with different economies, legal systems, languages and cultures. As a result, our international operations in such markets are subject to various risks that could have a material adverse effect on those operations and its business as a whole, including but not limited to:

- foreign currency control regulations and other regulations or government interventions or the negative impacts related to exchange rates, foreign currencies and taxation;
- restrictions on capital transfer;
- reimbursement rates and services covered by government reimbursement programs and/or granted tax credits;
- exposure to local economic and social conditions, including logistical and communication challenges and potential strike risks of workers unions;
- exposure to volatility in the global banking sector;
- exposure to local political conditions, including political disputes, requirements to expend a portion of funds locally and governmental industrial cooperation requirements, coups, the risk of seizure of assets by a foreign government, increased risk of fraud and political corruption, or similar events;
- exposure to potentially less well-developed legal systems and the absence of independent and experienced judiciary which make it difficult to enforce contractual rights and to potentially adverse changes in laws and regulatory practices, including grants, adjudications, concessions, among others;
- exposure to local tax requirements and obligations, as well as tax inefficiencies associated with the lack of double taxation treaties in countries in which we operate and the country where sales are generated;

- exposure to different effective tax rates in each country in which we conduct business such that changes in our mix of earnings between jurisdictions with lower tax rates and those with higher tax rates could have a material adverse effect on our profitability;
- exposure to market driven volume fluctuations that may lead to overcapacity and/or undercapacity of plants;
- exposure to transport availability and costs;
- exposure to the availability and costs of energy and natural resources (e.g. water);
- exposure to varying environmental laws;
- exposure to regional and local violence and social unrest, including any resultant acts of war, domestic or international terrorism or similar events;
- exposure to complications due to natural, climate-related or manmade disasters;
- exposure to local public health issues and the resultant impact on economic and political conditions;
- changes in laws and regulations, including investment restrictions or requirements or social laws that prohibit or make certain restructuring actions costly or cost-prohibitive or heavily increase labor cost via minimum wages or social tariffs, or changes in trade, monetary or fiscal policy, including interest rates, foreign currency exchange rates and the rate of inflation;
- inflation in national and/or regional economies;
- exposure to commodity markets and industries with limited transformation ability but financial distress;
- increased reliance on distinct suppliers that have not proven their ability to meet our requirements;
- the risk that joint ventures and participations do not fully comply with our internal policies and guidelines (e.g., on cyber security including IT security);
- the risk of not meeting ESG (Environmental, Social, Governance) requirements of legislators and customers;
- the risk of government-sponsored competition;
- greater risk of uncontrollable accounts and difficulty of enforcing agreements, collecting receivables and protecting assets through non-U.S. or non-European legal systems;
- difficulty in staffing and managing widespread operations and in attracting and retaining qualified management and employees, while continuing to further rationalize its work force;
- compliance with a variety of U.S. and other foreign laws, as well as European laws affecting the activities of European companies abroad, including the U.S. Foreign Corrupt Practices Act of 1977 and compliance (historical and future) with sanctions and export control provisions (including the U.S. Export Administration Regulations) in several jurisdictions, including the European Union, the United Kingdom, the United States and China;
- controls and delays on the repatriation of earnings, including the imposition or increase of withholding and other taxes on remittances and other payments by foreign subsidiaries;
- changes to existing free trade agreements and the imposition of export and import restrictions (such as anti-dumping duties, tariffs and embargoes), licensing requirements, other trade restrictions and the implementation of other protectionist political measures that could affect its OEM customers;
- variations in protection of intellectual property and other legal rights; and
- social plans that may substantially increase the cost of or make cost-prohibitive certain restructuring actions.

Any material deterioration in any of the factors named above could, directly or indirectly, have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.3 We are subject to material location and country-specific risks.

We operate production locations in 30 countries worldwide. In the fiscal year ended December 31, 2024, we generated 53.2% of our sales outside the EMEA region (Europe, Middle East and Africa), in particular in North and South America as well as in the Asia-Pacific region, with China as the core market and India as the growth market, and we intend for this percentage to increase further. As an internationally operating group, we are subject to material location and country-specific risks, such as logistical risks, risks related to international deliveries, risks of order processing and fulfillment, local price and cost pressure, and risks arising from different legal and tax systems (e.g., expropriation risks).

Some of the markets in which we operate, including in China, are subject to significant state control, e.g., over the respective economy's growth through the allocation of resources, controlling payments of foreign currency, setting of monetary policy and provision of preferential treatment to particular industries or companies. As a result of the Chinese counter-espionage law or other similar laws in any of the other countries in which we operate, we may be required to adjust our internal compliance systems accordingly.

In several countries in which we operate we are exposed to political risks (e.g., the risk of political unrest, war and the risk of terrorist attacks). In addition, some countries may lack infrastructure which may give rise to logistical risks. Furthermore, there is a risk that we may lose some or all of our investments in buildings and production sites due to political unrest, war, terrorist attacks, pandemic-related measures, or natural disasters in a country in which we operate or in neighboring countries. Should such force majeure event occur, the production capacities of large sites could not be replaced on short notice. This could impair our ability to fulfill our obligations towards our customers, give rise to temporary suspensions of production at the customers and result in substantial claims for damages against us. See also "*2.1.1.2 The Russia-Ukraine War has adversely impacted and may continue to adversely impact our business.*" and "*2.1.1.6 Adverse developments in the global economic environment and disruptions in financial markets could have an adverse impact on our business, financial condition and results of operations.*"

In addition, when we commence operations in a new country, we must comply with that country's legal system, which may differ significantly from the legal systems which we are currently accustomed to. Therefore, we may be unable to obtain the franchise licenses, other licenses and permits required for the operation of our sites in the new country or such franchise licenses, other licenses and permits may be revoked. As a result, there is a risk that the production sites in a new country will be unable to commence operations or to continue operations for a certain period or will have to be closed.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.4 We may experience failures of or other malfunctions in our infrastructure, services & IT systems as well as data breaches.

The increasing reliance on infrastructure, services & IT systems (hardware and software that is internally or externally hosted or is built upon external cloud-based infrastructures and software services that are provided by external partners) and the necessity of their permanent availability impose high demands on the information technology used. Our IT systems support almost all our functions, including all corporate functions, divisions and their business units and all geographic locations. Our products and systems generate and store significant volumes of personal and sensitive business information, including personally identifiable information of customers, drivers, employees, partners and suppliers. The volume and complexity of electronically processed data moreover continues to increase as we increasingly sell driver assistance and autonomous driving solutions, which involve the transfer and analysis of data, such as sensor and vehicle data.

An extended outage in an internal or external data center or telecommunications network utilized by our systems, any malfunction, fault or security breach in our IT systems and data, including possible cyber-attacks, malware, blackmail software or ransomware, denial of service attacks, disruptions, misdirection of services, or unauthorized access by outsiders, for instance by hackers, computer viruses or social engineering, or any similar event could lead to an extended unanticipated interruption of our systems or networks with immediate negative effects, like for example stopping manufacturing operations, logistics operations, customer deliveries, service center operations etc., ransom requests, or loss of data or loss of cash, for example in case of unauthorized money transfers. See "*2.1.2.15 We are exposed to the risk of economic and/or industrial espionage.*" Furthermore, it cannot be ruled out that doubts may arise regarding the security of the data and information collected and managed by us. In any such case, we may have to expend substantial amounts of money and resources on the prevention and fixing of potential or existing security breaches and their consequences.

We are subject to privacy, information and cyber security regulations with respect to, among other things, the use and disclosure of personal data, and the confidentiality, integrity and availability of such information. If we fail to adequately safeguard confidential personal or other sensitive data or such data is wrongfully used by us (or by third parties) or disclosed to unauthorized persons, this could result in claims for damages and other liabilities, significant fines and other penalties and the loss of customers and reputation. In particular, we are subject to the stringent requirements of the EU General Data Protection Regulation, which came into force in May 2018, and a violation could trigger fines of up to 4.0% of our global sales. In addition, regulations with a comparable scope and similar risks of sensitive penalties by the respective authorities are enacted in different economic areas such as the NIS 2, China Cybersecurity and China Privacy Law. In addition, UN Regulation No. 155 on cybersecurity and cybersecurity management systems requires vehicle manufacturers in Europe and other countries to implement a cybersecurity management system as of 2024.

Some of our operations are conducted through joint ventures in which we may not be able to exercise the same level of oversight over cybersecurity practices as we would in wholly-owned subsidiaries of ZF Group. If the guidelines and processes in place at our joint ventures fail to adequately safeguard confidential personal or other sensitive data this could result in claims for damages and other liabilities, and the loss of customers and reputation. Additionally, information and operational technology systems failures at our joint ventures, including risks associated with cyber-attacks and breaches of data security could impact our operations. Cyber-attacks could also expose us or our joint ventures to ransom demands, to fines, investigations or additional oversight by regulators, and to litigation by parties whose sensitive information has been disclosed.

The increasing usage of latest digital technologies, such as digital assistants for process automation and the increasing usage of Artificial Intelligence (AI) in any kind of operational and administrative processes may have unintended negative side effects that may potentially cause operational damages, legal breaches or reputational damages with subsequent claims from various stakeholders, for example, individuals, corporations or authorities depending on applicable regulatory frameworks or future regulatory initiatives (e.g., EU Artificial Intelligence Act).

The realization of any risks related to our IT system and network disruptions as well as data security could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.5 We could have difficulties in hiring and retaining qualified executives and employees, in particular engineers and/or IT and software specialists.

Our success depends largely on our executives and employees in key functions. The loss of executives or key employees, in particular engineers and/or IT and software specialists, could have a material adverse effect on our market position and prospects. In the fiscal year ended December 31, 2024, we experienced an overall employee turnover rate of 7.8% (as a percentage of all employees), with the largest amount of overall employee turnover taking place in North America and Asia-Pacific (including India) (19.2% and 6.3%, respectively). Considerable expertise could be lost or access thereto gained by competitors. Due to intense competition within the industry, there is a risk of losing qualified employees to competitors or being unable to find a sufficient number of appropriate new employees. There is no guarantee that we will be successful in retaining our executives and the employees in key positions or in attracting new employees with corresponding qualifications and there is a risk that any such individuals would leave us.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.6 The construction and maintenance of our facilities entails certain risks.

The construction and maintenance of our facilities entails certain difficulties, both from a technical perspective as well as in terms of the timing of the various construction phases. A number of problems may arise in relation to our facilities, such as interruptions or delays due to failed deliveries by suppliers or manufacturers, problems with connecting to the utilities networks, construction faults, problems linked to the operation of equipment, adverse weather conditions, unexpected delays in obtaining or sourcing permits and authorizations, or longer-than-expected periods for technical adjustments. The additional costs that may arise in the maintenance of facilities may have a material adverse effect on our business, financial condition and results of operation, which could in turn

adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.7 If we fail to maintain an effective system of internal controls, we may be unable to accurately report financial results or prevent fraud.

Our international operations require complex administrative, financial and operational processes at entities with different levels of maturity in terms of internal controls, evolving in a variety of legal environments and running different information systems. In this context, we face risks related to our internal controls, which could lead to inaccurate and/or inappropriate transactions, reporting or operations being carried out, or could lead to us being the victim of fraud, theft or embezzlement. Any such event could have a material and adverse effect on our business, financial condition, results of operations and reputation, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.8 Work stoppages and/or other labor issues at our facilities or the facilities of our customers or those in our supply chain could have a material adverse effect on our business.

Our relationships with our employees and our unions could deteriorate in the future and we could experience strikes, unionization efforts or other types of conflicts with labor unions or our employees. Plans for optimizing costs have and may include staff reductions in the future which may face opposition from labor unions or employees. Such opposition could come in the form of delays, prolonged negotiations, additional costs for finding or studying feasible alternatives, strikes, or other actions which could have negative effects on our business. A strike or other form of significant work disruption by our employees would likely have an adverse effect on our ability to operate our business. In addition, we could experience demand for significant wage increases – as recently occurred in Turkey where a new collective bargaining agreement reached in January 2024 significantly increased salaries – strikes or other types of disputes with labor unions or our employees. Furthermore, labor unrest or work stoppages could affect operations regardless of whether the workforce is unionized or subject to a collective bargaining arrangement. In addition, many of our customers and our suppliers also have unionized workforces. Refusals to work or work downtime experienced by our customers or our suppliers could result in decreased or delayed demand for our products (in case of work stoppages affecting our customers) or could require us to slow or shut down our production (in case of supply delays or work stoppages in our production facilities), such as happened during a six-week strike of the United Auto Workers union which ended in November 2023. Labor unrest or strikes associated with our operations could also damage our reputation with customers or in the market generally. This could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

Furthermore, as we are gradually increasing our operations in emerging markets such as South America and Asia-Pacific (including India), with 26% of our employees in such markets as of December 31, 2024, the risk of disruptions in the availability of the labor force on which we, our suppliers and our customers rely is heightened due to the potential for greater political, economic and social instability, limited transportation infrastructure affecting employee mobility and difficulties in finding alternative employees in the case of disruptions in these regions. Any of these risks or any other disruptions in the availability of the labor force on which we, our suppliers and our customers rely could have a material adverse effect on our business, financial condition and results of operations.

2.1.2.9 We may incur additional costs as a result of industry collective bargaining agreements or new sectoral collective agreements applicable to our German employees or any other country where collective bargaining agreements are in place.

If the conditions of employment of individuals entitled to the benefits of industry collective bargaining agreements fall below the standard of industry collective bargaining agreements in Germany or in other countries where collective bargaining agreements are in place, an employee, the union or relevant social insurance institutions may object to these conditions. If they are successful, we could incur higher employment costs. If employment contracts fall below the standard of applicable collective bargaining agreements, we could also incur higher social security contributions for the past and future with regard to our German employees. Similar risks exist in other countries where collective bargaining agreements are in place. Also, if the cost effects of new sectoral collective agreements are higher than assumed in the planning, our results of operations may be adversely affected.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.10 We do not control our minority investments or certain of our strategic partnerships.

We have strategic partnerships and joint ventures, investments and alliances in which we hold non-controlling interests. There can be no assurance that the arrangements will be successful and/or achieve their planned objectives. The performance of all such operations in which we do not have a controlling interest will depend on the financial and strategic support of the other shareholders. Such other shareholders may make ill-informed or inadequate management decisions, or may fail to supply or be unwilling to supply the required operational, strategic and financial resources, which could materially adversely affect these operations. If any of our strategic partners encounter financial difficulties, change their business strategies or are no longer willing to participate in these strategic partnerships, joint ventures and alliances, our business, financial condition and results of operations could be materially adversely affected. Moreover, in some of these arrangements, we may not have the power to control the payment of dividends or other distributions. As a result, even if the business is performing well, we may not receive payment of our share of any profits. Finally, there could be circumstances in which we may wish or be required to acquire the ownership interests of our partners, and there can be no assurance that we will have access to the funds necessary to do so, on commercially reasonable terms or at all.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.11 Continued pricing pressures, OEM cost reduction initiatives, the ability of OEMs to re-source or cancel vehicle programs and customer consolidation may result in lower than anticipated sales and profit margins or losses.

Our OEM customers face constant pressure to lower their production costs to be competitive against their peers. Most OEMs, for example, have annual price reduction initiatives and cost savings objectives with their suppliers. In this regard, our OEM customer supply agreements generally require reductions in the selling prices of our systems and components over the term of a vehicle platform or model.

OEMs have leverage over their suppliers, including us, because the automotive component supply industry is highly competitive, serves a limited number of OEM customers, has a significant fixed cost base and at times has had periods of excess capacity. As OEMs may award us significant future business and have a contractual right to terminate their existing supply contracts at will, they have significant leverage in pricing negotiations. Based on these factors, and the fact that our customers' vehicle programs typically last a number of years and are anticipated to encompass large volumes, our OEM customers are able to negotiate favorable pricing. These pricing pressures are impacted by the market power and scale of our customers and may increase in the event of consolidation among our OEM customers as combined OEMs may have greater production volumes and therefore greater purchasing power, in which case corresponding negotiating leverage could increase. Accordingly, we are subject to continuing pressure from OEMs to reduce the price of our products and expect such pricing pressure to continue in the future as OEMs continue to pursue cost-cutting initiatives.

Furthermore, many of our OEM customers reserve the right to approve the suppliers we use. Our ability to source input products from additional or alternate suppliers on short notice may be limited if the relevant OEM customer needs time to approve the additional or alternate supplier. If approved suppliers fail to perform as expected or the relationships with them were terminated, this could lead to order cancellations or even damages and could harm our long-term relationships with OEM customers, who may choose to select another supplier. The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

No assurance can be given that such pricing pressures can be fully offset by reductions in our operating costs or improved operating efficiencies in order to maintain current margins or that our competitors will not be in a better position to react to such pricing pressures. If we are unable to maintain competitive prices for our products, we may not be able to retain existing business or win new business. These pricing pressures from our OEM customers could have a material adverse effect on our business, financial condition and results of operations.

2.1.2.12 Fluctuations in prices and availability of raw materials, energy and other supplies, particularly semiconductors, that we use in our products as well as disruptions to our supply chain may have a negative impact on our profitability.

In our production processes, we are heavily dependent on the availability and cost of numerous commodities and raw materials (in particular, steel and aluminum), which account for a significant portion of our cost base. For the fiscal year ended December 31, 2024, we purchased approximately 400,000 tons of aluminum and 2,6 million tons of steel (including cast iron). In addition, we purchase large volumes of assembled parts and products that consist of a mixture of different materials. Changes in the markets in which we purchase materials, components and supplies for the manufacture of our products may adversely affect our profitability, particularly in the event of significant increases in demand for our products where there is no corresponding increase in supply of the raw materials that we use, or in the event of inflation or other pricing increases. The cost of materials within cost of sales amounted to 61.5% of our sales for the fiscal year ended December 31, 2024 (2023: 64.2%), and any significant change to the price of raw materials could materially and adversely affect our margins.

The prices of the raw materials we and our suppliers use increased significantly starting in late 2020 as a result of continuing effects of the COVID-19 pandemic and bottlenecks in the supply chain, with further increases in 2022 as a result of the Russia-Ukraine War and increases in 2023 as a result of the Red Sea Crisis. The Russia-Ukraine War and the Red Sea Crisis also led to significant volatility in electricity and natural gas markets which increased the production costs on the side of the suppliers and lead to further increases of the raw material prices. Based on delay effects in the supply chain, a significant portion of the inflationary effects became effective in 2023 (decoupling effects, e.g., energy, labor).

Despite the price decreases of the raw material spot markets, a huge portion of the general inflation effects (labor, energy) are still causing decoupling effects in 2024. Based on ongoing global geopolitical uncertainty (e.g. Trade War USA – China) it cannot be ruled out that further inflationary price shocks for raw material are possible in the near future.

Financial difficulties of our major suppliers may also lead to delays in the delivery of raw materials and components and some suppliers may even actively shorten the capacity to enforce price increases, for example by active closure of sites or by enforcing "plant maintenance" actions to limit capacity for a period of time. Prices for supplies may further be impacted by suppliers merging with or selling business parts to competing suppliers, resulting in oligopolistic market conditions.

In addition, continued scarcity of components required for our products as a consequence of the COVID-19 pandemic affects our supply chain and also those of our customers. For example, in 2021 and 2022, we saw an increase of EUR 822 million and EUR 604 million, respectively, to our inventories as a result of increasing our safety stocks of materials which had a negative effect on cash flow. Apart from standard safety stocks of many raw materials, we focus on Strategic Electronics Safety Stocks. Due to purchase commitments with long lead times, this safety stock remained still relatively high, amounting to approximately EUR 367 million as at December 31, 2024. Any reduction, or any delays or disruptions, in our supply chains could result in a significant disruption to our production and affect our ability to meet our commitments. These disruptions may result from many reasons, including increasing demands for certain raw materials, closures of supplier's plants or critical manufacturing lines due to strikes, insolvency of certain subcontractors, mechanical failures or breakdowns, electrical outages, fire, explosions, political upheaval, as well as logistical complications resulting from severe weather or other natural or nuclear disasters and delayed customs processing. The unavailability of any raw material or component required to manufacture one or more of our products could force us to cease production, potentially for a prolonged period.

In particular, numerous industries began experiencing a semiconductor chip shortage starting in 2020. In addition, new government and industry supply and demand actions continue to evolve in various parts of the world, such as increased protectionist measures by individual governments and more stringent trade sanctions. See also "*2.1.1.2 The Russia-Ukraine War has adversely impacted and may continue to adversely impact our business.*" For example, the semiconductor shortage slowed sales growth in the second half of the fiscal year ended December 31, 2021 and in the fiscal year ended December 31, 2022. The semiconductor shortage has had a significant impact of OEMs and automotive vehicle industry suppliers like us, and continued shortages could lead to further delays in the delivery of products to our customers, leading to lower volumes, lost sales, lower profits, and lower margins. Despite a reduction of semiconductor shortages in 2023, microcontrollers still suffer from longer delivery times, but are available within agreed delivery times. However, in the event of unplanned increases in demand, we have to plan with special surcharges. Automotive microcontrollers and power semiconductors, especially silicon carbide (SiC), are still in short supply due to the global increase in demand, driven by e-mobility and other factors. Price levels of semiconductors still remain above 2020 levels before the start of the semiconductor chip shortage and may increase in the future. Semiconductor manufacturers rely on economies of scale to offset cost pressures arising from fast innovation cycles for semiconductors. To capitalize on such economies of scale, the semiconductor industry may consolidate resulting in the concentration of semiconductor

production in a small number of suppliers. This may lead to less competitive pricing and may increase the risk of semiconductor shortages if material suppliers are temporarily unable to produce semiconductors at a sufficient rate to meet demand.

In the event that we have to source raw materials or components from another supplier, a failure of a product to achieve the required quality could force us to halt deliveries while we validate the quality of alternative raw materials or components. In addition, many of our OEM customers have approval rights with respect to the suppliers used by us, thereby limiting our ability to source raw materials or components from other suppliers at short notice if the relevant OEM customer has not already approved such other supplier. If we fail to make timely deliveries in accordance with our contractual obligations, we have to absorb our own costs for identifying and solving the cause of the problem, as well as expeditiously producing replacement components or products. Generally, we must also carry the costs associated with "catching up", such as overtime and premium freight. Additionally, if we are the cause for an OEM customer being forced to halt production, the OEM customer may seek to recoup all of its losses and expenses from us. Any supply-chain disruption could potentially cause the partial or complete shutdown of an assembly line of one of our OEM customers, and any such shutdown that is due to causes that are within our control could expose us to material claims for compensation, which may include claims for direct and consequential losses such as lost profits and have a negative impact on our relationship with such OEM customer and our reputation more generally. Failure to replace any of our suppliers on commercially reasonable terms, or at all, could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, as we have extensive operations in emerging markets that have not yet proven their ability to meet our requirements, the risk of disruptions in the supply of materials and components that us and our customers use in our products is heightened due to the potential for greater political, economic and social instability, limited transportation infrastructure and difficulties in finding alternative reliable, cost-efficient and qualified suppliers in these regions. The lack of even a small single subcomponent necessary to manufacture one of our products, for whatever reason, could force us to cease production, even for a prolonged period.

Moreover, we do not have written contracts setting out the pricing and supply terms with most of our raw material suppliers in order to limit our stamp tax liabilities and we are unable to hedge against the risk of rising prices of raw materials we purchase by using derivative financial instruments as there are no comparable and correlated materials in the hedging market. Furthermore, during periods of declining raw material prices, customers may demand price reductions for our products despite the fact that we may be using existing inventories that were produced with higher raw material and supply costs. This could, in turn, have a negative impact on our profit margins.

In a minor number of our customer contracts, we have a contractual right to pass supply and raw material cost increases for some material components on to our customers and to demand reimbursements from these customers in case of short-term volume decreases. There can be no assurance that the practice of OEM price adjustments in accordance with raw material fluctuations will remain in the future, and such price volatility could have a negative impact on our profitability. In addition, even where we have contractual rights to pass on such prices increases, we may choose not to do so or the customer may refuse to assume the increase as part of a broader commercial negotiation, particularly during times of high price volatility. Moreover, even where we are able to pass on such price increases to the customer, we may not be able to do so on a timely basis. Furthermore, certain components that we produce use raw materials which are not subject to any contractual provisions for passing through the price of such raw materials to OEMs and, while market practice has historically been for OEMs to adjust pricing on those products in a manner consistent with the adjustments made for products subject to contractual pass-through rights, there are no assurances that this will continue in the future. In addition, we may not always be able to substitute any raw materials or other supplies with lower cost alternatives that still meet customer requirements. Any increase in the cost of our raw materials or other supplies, and resultant increase in the price of our products may ultimately negatively impact demand for our products. Conversely, if prices for raw supplies decrease, we may be required to pass on such discounts to our customers.

Increases in the costs of raw material and other supplies, our inability to pass on such price increases to our customers, in part or in full, our inability find suitable substitutes for our raw materials or further constraints on our supply chains could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

Missing the demand for decarbonized and sustainable raw materials poses several significant risks to the ZF Group in financial, reputational, operational, regulatory and strategic areas. These risks include the following:

- Operational costs: Failure to secure sustainable raw materials could lead to higher costs due to carbon taxes, fines, and penalties imposed by governments and regulatory bodies;

- Refinancing costs: The increasing focus on environmental, social, and governance (ESG) criteria could lead to higher refinancing costs;
- Reputation: Failing to meet decarbonization and sustainability goals can damage ZF Group's brand image, leading to a loss of customer trust and loyalty;
- Media: Negative media coverage and criticism from NGOs and activists can arise from perceived environmental negligence, impacting ZF Group's public reputation;
- Supply chain disruptions: Dependence on non-sustainable raw materials can lead to supply chain vulnerabilities, especially as global policies shift towards sustainability. This can cause operational delays and disruptions;
- Resource scarcity: Non-renewable resources are depleting. Failure to transition to sustainable alternatives could result in shortages, affecting production continuity;
- Compliance: Regulations around sustainability and carbon emissions are tightening. Non-compliance could lead to legal repercussions, fines, and sanctions. Furthermore, due to evolving regulations, ZF Group has to expect regulatory changes that will be even more stringent, requiring abrupt and costly adjustments;
- Competitive disadvantage: Competitors who adopt sustainable practices more rapidly can gain a competitive edge, attracting more environmentally conscious customers and partners;
- Innovation lag: A lack of focus on sustainable raw materials can result in ZF Group lagging behind in innovation, particularly as industries increasingly prioritize green technologies; and
- Changing customer preferences: There is a growing demand for sustainable products. Failing to meet this demand can lead to a loss of market share as customers opt for more environmentally friendly alternatives.

2.1.2.13 Increased costs for freight and logistics services could adversely affect our business and future profitability.

Freight and logistics services play an important part in our business as we transport a majority of our products, including by both land and sea. In addition, most of the raw materials we use need to be shipped to our production facilities. Between 2020 and 2022, ocean freight costs nearly doubled as a percentage of sales, while land freight costs increased in all major regions due to a combination of factors including driver shortages, increases in oil prices and COVID-19 pandemic-related regulations. In the fiscal year ended December 31, 2024, freight and logistics costs comprised 1,9% of sales.

Any material disruption in or lack of availability of freight and logistics services or significant increases in fuel or energy prices, road tolls or demand driven market prices resulting in higher freight costs, may have a material adverse effect on our margins and results of operations and financial condition. We may also experience increased logistics costs due to expedite freight cost in case of short-term changing customer demands due to long logistic chain or due to warranty cost effects for effected parts already produced and shipped towards our production facilities.

2.1.2.14 We are exposed to compliance risks.

We are exposed to a large variety of business and compliance risks. Since our domestic and foreign managers retain a certain amount of operational and decision-making flexibility we cannot guarantee that our domestic and foreign managers will not take actions, or, in particular cases, take fraudulent actions against us or third parties, or experience problems or conflicts of interests that could be detrimental to our business, financial condition and results of operations or damage our reputation. Individual employees of ours could violate applicable laws, for example in the areas of antitrust law as well as anticorruption laws. This could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.15 We are exposed to the risk of economic and/or industrial espionage.

There is a risk of loss of sensitive business information, other data or the tangible and intangible expertise due to an ineffective protection of confidential information, in particular as a result of any possible form of offense such as economic and/or industrial espionage. Such risks have increased as a result of the Russia-Ukraine War, the Red Sea Crisis and other geopolitical developments, e.g., the potential escalation of the situation between China and

Taiwan. See also "*2.1.2.4 We may experience failures of or other malfunctions in our infrastructure, services & IT systems as well as data breaches.*" Our key employees and officers have access to sensitive confidential information relating to our business such as insights about strategic developments, business case planning and core technology. We have implemented various measures to protect such confidential data. However, in the event that competitors, third parties or the general public gain access to such confidential information in spite of our protective measures, be it on purpose or by accident, our market position could be materially weakened.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.16 Our business could suffer if the reputations of our brands are damaged.

As a supplier for the automotive vehicle industry, our business depends to a significant extent on our reputation and the reputation of the brands under which we market our products. Actual or alleged instances of inferior service or product quality or of damage caused or allegedly caused by our services or products, or the services and products of our customers, could damage our reputation in the markets in which we operate and could lead to customers becoming less willing to work with the relevant company of our Group. The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.17 We face environmental risks associated with soil, water, or groundwater contamination or for risks related to hazardous materials.

The majority of the sites at which we operate have been used historically for industrial purposes for many years, so in certain cases this leads to risks of contamination and the resulting site restoration obligations. We may also be held responsible for the remediation of areas adjacent to or nearby our sites if these areas were contaminated due to our activities or activities of the former operator. In particular, soil, water or groundwater contamination has been discovered at former sites in Union Springs, New York (United States) and Sullivan, Missouri (United States) in the past as well as at various landfill and disposal sites in the United States where we have been named as a potentially responsible party pursuant to the Comprehensive Environmental Response and Liability Act, 42 U.S.C § 6901 et seq.

The government authorities or third parties could assert claims against us, as an owner, tenant, or prior owner or tenant of property where hazardous materials have been released or disposed of and require examination, remediation, containment, mitigation, removal or payment of costs related to the resulting soil or groundwater contamination. We may also be required to indemnify the owners of plots leased by us or of other properties if the authorities were to pursue claims against the relevant owner of the property and if we caused the contamination. In certain jurisdictions, such as the US, we may be found strictly liable for these claims. We are performing investigation, remediation, containment, mitigation or removal activities at several sites where historic contamination has been discovered. Some of these activities are performed pursuant to an order or agreement with government authorities and some activities are being completed voluntarily under the oversight and approval of government authorities. Costs typically incurred in connection with such claims are generally difficult to accurately predict for the full life-cycle of the necessary activities. In addition, if any contamination were to become a subject of public discussion, there is a risk that our reputation or relations with our customers could be harmed.

Furthermore, at certain sites at which we operate, hazardous materials were used in the past, such as asbestos-containing building materials used for heat insulation or fire resistance. The health and safety of third parties (such as former employees) may have been affected due to the presence of such hazardous materials and we could therefore be exposed to related damage claims in the future. We face similar risks with respect to former sites which we sold in the past. Even if we have contractually excluded or limited our liability in connection with the sale of such properties, we could be held responsible for currently unknown contamination on properties which we previously owned or used.

In addition, manufacturers of friction lining materials are sometimes defendants in suits brought by individuals claiming personal injuries as a result of alleged exposure to asbestos or asbestos-containing products. Claims of this nature have been filed against certain of our subsidiaries in various jurisdictions (including the United States) as a result of sales of friction material containing asbestos made until the mid-1990s.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.18 A significant loss of or disruption at a key manufacturing facility or of a critical piece of equipment at a manufacturing facility could have a material adverse effect on our operations and profitability.

Our manufacturing facilities as well as manufacturing facilities in our supply chain are subject to risks associated with natural and man-made disasters, including, but not limited to, fires, floods, cyclones, water scarcity, earthquakes, pandemics, explosions, accidents, war, terrorist attacks and political and civil unrest. The worldwide consequences of progressing climate change include more severe or frequent climate-related physical hazards and weather extremes. If any of our manufacturing facilities were to be shut down unexpectedly, if certain of our manufacturing operations or equipment and machinery within an otherwise operational facility were to cease production unexpectedly or if we were to fail to accurately or effectively manage our manufacturing facilities or changes in our production levels as result of the occurrence of any of these disasters, there can be no assurance that alternative production capacity would be available or that, if it were available, it could be obtained quickly enough or at the same cost or could be easily transferred. See also "*2.1.1.6 Adverse developments in the global economic environment and disruptions in financial markets could have an adverse impact on our business, financial condition and results of operations.*" Operational disruptions and interruptions and process problems, including problems related to start up issues at facilities or resulting from our failure or inability to accurately or effectively manage changes in our production levels, may lead to significant production downtimes and interruptions to deliveries to OEM customers, which can in turn trigger claims by OEM customers for losses related to assembly shut down and lost production. The inability to promptly resume the supply of products following a disruptive event at a manufacturing facility could have a material adverse effect on our operations and profitability.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.19 Our insurance coverage could prove inadequate.

We have taken out insurance policies in relation to a number of risks associated with our business activities and there can be no assurance that we will not incur losses or that no claims will be brought that exceed the type and scope of our existing insurance coverage. We have not purchased special insurance policies related to terrorism or war-related damage, and such risks are covered under certain of our general insurance policies. If any such uninsured risk materializes, we may be exposed to significant liabilities which could have a material adverse effect on us.

Following a number of claims or after one major claim, the insurance premiums payable by us may be increased or the terms and conditions of the insurance coverage may become less favorable. This may also occur following a general change in the insurance markets. For example, the global insurance market is currently undergoing a steep pricing rise in rates, but reductions in capacity, primarily due to the impact of natural catastrophe losses and increasing litigation trends for many insurance buyers. Globally, commercial insurance premiums have risen significantly in recent years, and it has, inter alia, become increasingly difficult recently to obtain insurance coverage for property damage and business interruption at reasonable terms. There can be no assurance that we will continue to be able to obtain sufficient levels of insurance for the respective risks we incur in connection with our business operations or on terms and conditions that are economically justifiable. Our policies are subject to standard limitations and, in the case of business interruption insurance, amongst other things, limitations apply with respect to the length of the interruption covered and the maximum amount that may be recovered.

Some of our OEM customers require certain insurance coverage, including third party liability and product recall, and there can be no assurance that such requirements will not change, the costs of such required insurance will not increase or that other OEMs not already doing so will not institute such requirements.

If we incur losses for which there is no, or only insufficient, insurance coverage, or if, particularly due to the aforementioned reasons, higher insurance premiums and/or restrictions on insurance coverage are required, this may have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.2.20 ZF Europe Finance B.V. is a financing vehicle for us and has no material assets or sources of sales except for claims against entities of the ZF Group resulting from intercompany loans and relies on funding from such entities to service and repay the Notes.

ZF Europe Finance B.V. is a subsidiary wholly owned by ZF AG with limited assets which concentrates on financing activities for the ZF Group. ZF Europe Finance B.V. will on-lend the proceeds from the sale of any Notes issued by it by way of intercompany loans to ZF or other entities of the Group. ZF Europe Finance B.V. intends to service and repay the Notes out of the payments it receives under these intercompany loans. Other than the receivables under these intercompany loans and any other proceeds that may be made in connection with potential other financing transactions by ZF Europe Finance B.V., ZF Europe Finance B.V. does not have any material assets or sources of sales. The ability of ZF Europe Finance B.V. to service and repay the Notes issued by it therefore depends on the ability of entities of the ZF Group to service in full any intercompany loans extended to them by ZF Europe Finance B.V. In the event that any entities of the ZF Group were to fail to make payments under intercompany loans extended to them by ZF Europe Finance B.V., ZF Europe Finance B.V. may not be able to meet its obligations under the Notes issued by it when due. In meeting its payment obligations under the Notes issued by it, ZF Europe Finance B.V. is therefore wholly dependent on the profitability and cash flow of ZF and its subsidiaries.

2.1.2.21 As ZF Friedrichshafen AG operates in part through its subsidiaries and participations, its ability to meet its payment obligations under the Notes and, as applicable, the Guarantee also depends – to a certain extent – on the receipt of funds from its subsidiaries and participations.

ZF Friedrichshafen AG acts as the main operating and holding company for the ZF Group and performs group-wide functions as a management company. In its holding function, ZF Friedrichshafen AG's ability to serve its payment obligations also depends on the receipt of funds from its subsidiaries and participations. Therefore, ZF Friedrichshafen AG's cash flow and its ability to meet its cash requirements, including its obligations as Issuer of Notes and as Guarantor under the Guarantee, is – to a certain extent – subject to the profitability and cash flow of its subsidiaries and payments by such subsidiaries to it in the form of loans, dividends, fees, or otherwise, as well as upon ZF Friedrichshafen AG's own business and credit arrangements. The ability of ZF Friedrichshafen AG's subsidiaries to make payments to ZF Friedrichshafen AG may be restricted by, among other things, applicable corporate and other laws and regulations and by the terms of covenants and restrictions contained in financing agreements to which such subsidiaries are or will be a party. In addition to any limitations on payment to ZF Friedrichshafen AG contained in such agreements, any failure to comply with the covenants and restrictions contained in such agreements could trigger defaults under those agreements which could delay or preclude the distribution of dividend payments or any other similar payments to ZF Friedrichshafen AG. In addition, applicable tax laws may subject any such payments to ZF Friedrichshafen AG to taxation.

2.1.3 Financial Risks relating to the ZF Group

2.1.3.1 Significant intangible assets on our consolidated statement of financial position could become impaired.

We carry significant intangible assets on our consolidated statement of financial position. As of December 31, 2024, the carrying amount of intangible assets on our consolidated statement of financial position was EUR 10,884 million (as of December 31, 2023: EUR 11,536 million), representing 27.7% of our total assets (as of December 31, 2023: 29.5%). This carrying amount includes EUR 7,927 million as of December 31, 2024 (as of December 31, 2023: EUR 8,005 million) in goodwill resulting from the consolidation of investments in subsidiaries which is carried out according to the purchase method. In the fiscal year ended December 31, 2024, we recorded a goodwill impairment of EUR 122 million in the Electrified Powertrain Technology division. There is no guarantee that further impairments will not occur in the future, particularly in the event of a substantial deterioration of our future prospects or general economic conditions. A significant impairment of intangible assets could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

We had in the past to recognize differences between the amounts paid for large acquisitions and the respective book values or carrying amounts of the equity in the acquisition targets as tangible and intangible assets and/or goodwill. IFRSs, in particular the International Accounting Standard 36 (Impairment of Assets) (***IAS 36***), require us to test goodwill and intangible assets with indefinite lives at least annually, or more frequently if there is an indication of impairment, by using a single-step quantitative test performed at the level of a cash-generating unit

(***CGU***) or group of CGUs which compares the carrying amount of a CGU or group of CGUs with its recoverable amount. The excess (if any) of the carrying amount over the recoverable amount has to be recorded as an impairment loss. Tangible and intangible assets with definite lives are not tested annually, and we are required to assess at each reporting date whether there are any indicators of impairment. The impairment test itself only has to be carried out if there are such indicators and is also performed on a CGU or group of CGU level and an excess (if any) of the carrying amount over the recoverable amount has to be recorded as an impairment loss. As a result, we may be forced to recognize an impairment loss on the tangible and intangible assets and/or goodwill also related to our past acquisitions in accordance with IFRSs, in particular IAS 36, if our business (including the acquisition targets) were to fail to develop as expected or if any other unexpected development were to occur affecting the performance or sustainability of our business.

Any such impairment losses could have a material adverse effect on our financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.3.2 The financial resources available to us may be insufficient to meet our capital needs.

Our cash flow from operating activities, current cash resources, existing sources of external financing and the proceeds from the issue and sale of the Notes could be insufficient to meet our future capital needs.

Our access to and costs of financing are influenced by investor perceptions and expectations and the general reputation of the industry in which we operate. Should public or investor perception of the automotive industry in general, or us in particular, deteriorate, this may impact our ability to obtain future financing or the cost of such financing. Furthermore, future disruptions in the financial markets, including the bankruptcy, insolvency or restructuring of a number of financial institutions, and further changes in the regulatory environment affecting financial institutions could adversely impact the availability and cost of additional financing for us and could adversely affect the availability of financing already arranged or committed. Our liquidity could also be adversely impacted if our suppliers tighten terms of payment as the result of any decline in our financial condition, as the result of a downgrade of our credit ratings, or if our customers were to extend their normal payment terms.

Moreover, due to the fact that the shares of ZF Friedrichshafen AG are not publicly listed but held by two foundations, the access to raise additional equity from outside the Group is limited.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.3.3 We may be adversely affected by changes in our borrowing costs.

The costs at which we can obtain financing depend on general market conditions, particularly on the development of interest rates and our (perceived) creditworthiness and ratings. In the case of deteriorating general market conditions, only debt financing with comparatively higher interest rates may be available. Financing arrangements containing variable interest rates are a relevant part of our financing set-up; such financing arrangements are partly hedged with interest rate derivatives. Still, a rise of interest rates can have an effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

A decrease in interest rates, on the other hand, would adversely impact our interest income on our interest-earning financial investments.

2.1.3.4 We may be adversely affected by changes in currency exchange rates.

Our earnings are exposed to currency exchange rate fluctuations since our reporting currency is the Euro. However, a significant portion of our sales is denominated in U.S. dollar. Therefore, fluctuations in exchange rates between Euro and other non-euro currencies, primarily the U.S. dollar and Chinese renminbi, will affect the translation of our consolidated financial results into Euro and will also affect the value of any distributions that our business segment make to us. This could lead to the value of our production costs not matching the value of the consideration received in transactions, because income and expenditure arise in different currencies. Exchange rate fluctuations affect the levels of proceeds and receivables in particular. In addition, a significant amount of our debt from time to time outstanding was denominated in U.S. dollars. Our ability to use cash received in currencies other than the

Euro or U.S. dollar to service that debt could be adversely affected by changes in exchange rates against the Euro or the U.S. dollar.

Furthermore, currency effects arise at subsidiaries whose functional currency is not the Euro, since on the one hand the earnings of these companies determined in a foreign currency are translated at average rates and recognized in profit or loss, and on the other hand the net assets are translated into Euro at spot rates and result in currency-related fluctuations in the equity of our Group.

There is no assurance that these fluctuations in currency exchange rates can be compensated by other means. Any uncompensated fluctuations may have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.3.5 Our leverage and debt service obligations could have a material adverse effect on our business.

We have incurred substantial indebtedness. On top of our existing indebtedness, we are able to borrow additional funds subject to compliance with certain covenants and other conditions. Increasing our level of indebtedness could have important consequences for investors in the Notes. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to our indebtedness;
- increase our vulnerability to adverse economic and industry conditions;
- require us to dedicate a substantial portion of cash flow from operating activities to payments on our existing indebtedness, which could reduce the availability of cash flow to fund capital expenditures, future acquisitions and other general corporate needs;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- place us at a competitive disadvantage compared to our competitors with less debt;
- require a re-negotiation of the leverage for existing financial covenants;
- put pressure on our credit ratings; and
- limit our ability to borrow additional funds.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.3.6 We are exposed to a number of risks associated with our existing indebtedness.

Our existing financing agreements and instruments contain a number of restrictive and affirmative covenants that include, but are not limited to, restrictions on the incurrence of financial indebtedness in respect of our subsidiaries, asset disposals, the granting of securities (so-called 'negative pledge'), loans and guarantees, corporate restructurings and change of business. Some of our existing financing arrangements also contain a financial covenant which requires us to maintain a specified financial ratio regarding the maximum level of net indebtedness (leverage). According to our current financial projections, the relevant financial covenants included in our financing agreements will be observed. Other financing agreements or instruments that we may enter into or issue in the future may include similar covenants and financial covenants.

In light of the cyclical nature of our business and the possible effects on our business activities and results of operations as well as the other market and business-related risks described herein, we may not be able to maintain our current sales and profitability at the levels required for meeting the leverage related financial ratio. Hence, we cannot assure that we will continue to comply with these financial covenants in the future. A breach of any other covenant, as well as the inability to comply with the required financial ratio, could result in a default under the respective agreement or facility unless we can obtain waivers for the breach of any covenant or financial obligations thereunder. We cannot assure that such waivers will be granted by the respective lenders. In the event of any default under a financing agreement or instrument, the respective lenders will not be required to lend any additional amounts to us and could elect to declare all outstanding borrowings, together with accrued interest, fees and other amounts due, to be immediately due and payable. In addition, indebtedness under other agreements or instruments that contain cross-default or cross-acceleration provisions also may be accelerated and become immediately due and payable. If any of our debt was to be accelerated, we cannot assure that our assets would be sufficient to repay such debt in full.

Furthermore, in addition to the compliance with specific covenants, our existing indebtedness (as well as the Notes) provides for covenants and undertakings that limit our operations as well as change of control provisions. If we fail to comply with any of these covenants or undertakings, a change of control occurs, or if a cross default or cross acceleration provision is triggered, and we are unable to obtain a waiver from the respective lenders, a default or mandatory redemption could result under the relevant financing instrument, which then could be declared to be immediately due and payable and/or would then become immediately due and payable.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.3.7 Changes in accounting standards could have a material adverse effect on our financial condition and results of operations.

Our consolidated financial statements are prepared in accordance with IFRSs and the additional requirements of German commercial law pursuant to Section 315e paragraph 1 of the German Commercial Code (*Handelsgesetzbuch*).

New or changed accounting standards may lead to adjustments in the relevant accounting positions of our Group which could have a material adverse effect on our financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes, including compliance with the covenants, and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.3.8 Our pension and other post-retirement benefits obligations are significant and the related expense and funding requirements of our pension plans (including obligations from medical care benefits) could materially increase.

Although we maintain defined benefit pension plans in Germany, the United Kingdom and certain other countries which, we mainly closed old defined benefit schemes for both new entrants as well as for new contributions (with the exception of Germany, where a new pension scheme without longevity risks and interest rate promise was established in 2020). As of December 31, 2024, the present value of our defined benefit plans (including obligations from medical care benefits) amounted to EUR 7,467 million (as of December 31, 2023: EUR 7,645 million) and our net liability for defined benefit obligations shown in our consolidated statement of financial position as provisions for pensions (net liability) amounted to EUR 3,509 million (as of December 31, 2023: EUR 3,857 million). The net liability for defined benefit obligations includes our obligations from medical care benefits of EUR 156 million as of December 31, 2024 (as of December 31, 2023: EUR 153 million).

The plan assets and special funds are invested in different asset classes including stocks, fixed-income securities, fund shares and asset backed securities. The values attributable to the externally invested pension plan assets are subject to fluctuations in the capital markets that are beyond our influence. Unfavorable developments in the capital markets could result in a substantial coverage shortfall for these pension obligations, resulting in an increase in our net liability for defined benefit plans. Any such increase in our net liability for defined benefit plans could adversely affect our financial condition due to an increased additional outflow of funds to finance the pension obligations.

Also, we are primarily exposed to risks associated with longevity, inflation rate trends and interest rate changes in connection with our pension commitments as an interest rate decrease could have an adverse effect on our net liability under these pension schemes. In addition, macroeconomic and regulatory developments could have effects on the defined benefit obligation.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.4 Regulatory, Legal and Tax Risks relating to the ZF Group

2.1.4.1 We are subject to legal disputes and proceedings, the outcome of which could lead to substantial payment obligations, fines and related damage claims.

We are regularly parties to legal disputes, administrative and arbitration proceedings or other claims and suits that arise from time to time. We are also subject to regulatory investigations and enforcement proceedings by various governmental authorities, including national and supranational antitrust authorities.

We are currently and potentially exposed to claims from customers following two decisions of the EU Commission regarding cartels in which TRW (acquired by us in 2015) was involved. The amount of any follow-on claims for damages cannot currently be determined with any certainty, but could be, individually or in the aggregate, substantial. In addition, there is no assurance that current or future internal investigations that we conduct will not reveal further potential or actual non-compliance with competition laws. In addition, alleged or actual anti-competitive behavior might seriously disrupt business relationships with business partners.

In addition, we cannot exclude that authorities or courts could conclude in individual cases in current or future proceedings and investigations that we have breached regulations. In such case, we could be liable to third parties including customers and may be fined by the relevant authorities and/or courts. The amount of any such liabilities and fines cannot currently be predicted with any certainty, but could be substantial as well.

Furthermore, following the NHTSA announcement on April 23, 2019 regarding damaged ACUs (see "*2.1.1.1 Products that do not meet customer specifications or that contain, or are perceived to contain, defects or errors or that are otherwise incompatible with their intended end use could impose significant costs on us, including from warranty and product liability claims. In addition, quality risks could also damage our reputation.*") and the corresponding investigation of the NHTSA in the United States regarding certain vehicles that are equipped with our airbag control units and which have been subject to recalls by Fiat Chrysler Automobiles, Hyundai-Kia Motors Corporation and Toyota, 25 class actions have been filed against us in the United States and three class actions were filed in Canada, seeking, inter alia, compensatory damages, punitive damages, statutory penalties and attorneys' fees. The class actions have been consolidated in the United States into a consolidated proceeding under federal multi-district litigation (***MDL***) procedural laws. Claims in the original consolidated complaint against ZF Group were dismissed in early 2022. An amended consolidated complaint was filed in May 2022, making similar claims. Our motions to dismiss are currently pending with respect to such amended complaint. Plaintiffs in two of the Canadian class actions voluntarily dismissed their claims with prejudice in 2023; one Canadian class action remains pending, although it is currently stayed.

In addition, following NHTSA's investigation into certain hybrid, toroidal frontal airbag inflators manufactured by ARC between 2000 and January 2018, a class action lawsuit was filed in Michigan against several airbag module suppliers (including ZF), vehicle manufacturers and ARC related to the use of the subject ARC inflators. The Michigan litigation was transferred into multi-district litigation in Georgia related to the same ARC inflators and consolidated with several substantively similar actions (in which we were not named) involving additional suppliers and manufacturers. We are vigorously defending the action. In October 2023, the defendants (including ZF) filed motions to dismiss the consolidated amended complaint. Those motions are currently pending. Additionally, we are potentially exposed to claims surrounding other products we supply. These may arise due to quality issues, incompatibility with other parts, products that do not meet specifications or do not work as intended, or even as part of end-user lawsuits against manufacturers using our products. See also "*2.1.1.1 Products that do not meet customer specifications or that contain, or are perceived to contain, defects or errors or that are otherwise incompatible with their intended end use could impose significant costs on us, including from warranty and product liability claims. In addition, quality risks could also damage our reputation.*"

As a result of the global COVID-19 pandemic and both government and private sector responses to the pandemic, numerous industries began experiencing a semiconductor chip shortage in 2020, which continued into 2023, and new government and industry supply and demand actions continue to evolve in various parts of the world. This has affected the automotive industry as well – OEMs and automotive suppliers such as us. This shortage has resulted in some loss of production within the industry creating both potential financial and legal risks for us that, as of the date of this Prospectus, still affect us and continue in 2024. These potential risks could include lower volumes, lost sales, lower profits, and lower margins. See also "*2.1.1.8 The industry in which we operate is characterized by intense competition, volatility of costs and commoditization of products, which could reduce our sales and/or put continued pressure on our sales prices.*" They may also result in potential claims and lawsuits against us in the future, and/or contractual renegotiation of existing agreements and requests for set-offs or other concessions.

Furthermore, it cannot be ruled out that individual employees harm the company by violating applicable law in connection with their business activities, resulting in damage to our reputation, market position and earnings due to payment or other liabilities.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.4.2 We may be unable to protect our intellectual property rights effectively and developments or assertions by or against us relating to intellectual property rights could materially impact our business.

Our products and services are highly dependent upon our technological know-how and the scope and limitations of our proprietary rights therein. We have obtained or applied for a large number of intellectual property rights, such as patents, that are of considerable importance to our business.

The process of seeking patent protection can be lengthy and expensive. Furthermore, patents may not be granted on currently pending or future applications or may not be of sufficient scope or strength to provide us with meaningful protection or commercial advantage. In addition, while there is a presumption that patents are valid, the granting of a patent does not necessarily imply that it is effective or that possible patent claims can be enforced to the degree necessary or desired. Furthermore, a major part of our know-how and industrial trade secrets are not patented or cannot be protected through registered intellectual property rights. Consequently, a risk exists that certain aspects of our know-how and trade secrets could be transferred to collaboration partners, customers or suppliers or lost to other third parties by disclosure or activities in the marketplace. Patent litigation may cost us resources and we may not be successful in our claims against others using our intellectual property or in claims against us, particularly where there is uncertainty around such intellectual property rights.

Moreover, we have concluded a number of license, cross-license, and cooperation and development agreements with our customers, competitors and other third parties under which we receive rights in industrial property and/or know-how of such third parties. It is possible that license agreements could be terminated, for example, in the event of the licensing partner's insolvency or bankruptcy and/or in the event of a change-of-control in either party, leaving us with reduced access to intellectual property rights to commercialize our own technologies. Furthermore, no assurance exists that the necessary licenses can be obtained on commercially acceptable terms or at all. Failure to obtain the right to use third-party intellectual property could potentially result in commercial impacts or litigation. If a third party asserts or claims that we infringe or misappropriate its intellectual property rights, we could potentially face a number of risks that could potentially harm our results of operations, financial condition and competitive position, including: (1) potential patent infringement and other intellectual property claims, which would be costly and time consuming to defend, whether or not the claims have merit, and which could potentially delay a product and divert management's attention from our business; (2) potential damages for past infringement, which we may have to pay if a court determines that our product or services infringe or misappropriates another's intellectual property rights; (3) a court could potentially prohibit or enjoin us from offering our products in the marketplace as a result of an unfavorable ruling or judgement; or (4) if a license is available from a third party, we may have to potentially pay royalties or lump-sum payments or grant cross licenses to our patents or other proprietary rights to obtain that license.

In addition, some of our existing intellectual property rights are not indefinite and will expire. This poses a risk that competitors may copy our intellectual property rights without incurring any expenses of their own or compensation for the value received. No assurance exists that we will develop sufficient sales streams protected by equivalent rights in the future to replace sales streams as the relevant intellectual property rights lapse. We could also be blocked or "locked out" of potential future sales streams if our competitors are able to patent certain innovations before we can do so. We may have to procure a license for the relevant technology, which may not be available on commercially reasonable terms, if at all, and may significantly increase our operating expenses or may require us to restrict our business activities in one or more respects. As a result, we may also be required to develop alternative non-infringing technology, which could require significant effort and expense. If we fail to develop sufficient sales streams covered by adequately robust intellectual property rights, we could lose market share and sales to our competitors.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.4.3 There is a risk that we may infringe intellectual property rights of third parties.

A risk exists that we may infringe intellectual property rights of third parties because our competitors, suppliers and customers, and other participants in the markets in which we operate also own intellectual property in similar or related technology fields. It is not always possible to determine with certainty whether processes, methods or

applications we use are subject to intellectual property rights of third parties. Therefore, third parties periodically do, directly or indirectly, assert claims of intellectual property infringement (including illegitimate ones) against our products, causing us to expend resources to defend against such claims. Depending on the claim asserted, we could be required to cease manufacturing, using or marketing the relevant technologies or products in certain countries or be forced to make changes to manufacturing processes and/or products. In addition, we could be liable to pay compensation for infringements or could be forced to purchase licenses to make use of technology from third parties.

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.4.4 We might not have validly acquired employee inventions or could possibly fail to validly acquire them in the future.

In certain jurisdictions, potential risks arise in the event we fail to properly and timely claim inventions of our employees. Former or present employees who made or make employee inventions may continue to be the owners of the rights to inventions if not claimed by the relevant company in a timely manner. If this circumstance should occur, and we nevertheless register an employee invention as a patent or utility model, the employee who made the invention may possess a claim for transfer of ownership in the patent/ utility model and may enable the employee to assert claims for damages for the unauthorized use of his or her invention against the relevant company of our Group. In addition, a claim could be asserted against us to enjoin our use of the invention, or we could be forced to enter into a license agreement providing for the payment of royalties or to acquire the invention in order to use the invention. Additionally, in certain jurisdictions, a risk may exist from potential claims for payment or under-payment for employee invention compensation. Risks from potentially unacquired employee inventions or potential employee invention compensation claims could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.4.5 We are exposed to risks in relation to compliance with anti-corruption laws and regulations and economic sanction programs.

Doing business on a worldwide basis requires us to comply with the laws and regulations of various jurisdictions. Our international operations are subject to applicable anti-corruption laws, such as the U.S. Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act of 2010, and regulations and economic sanction programs, including, without limitation, those administered by the United Nations, the European Union and the Office of Foreign Asset Control in the United States (collectively, ***Sanctions***). Economic sanctions programs may restrict our business dealings with certain sanctioned countries, particularly in relation to our business dealings in Russia. See also "*2.1.1.2 The Russia-Ukraine War has adversely impacted and may continue to adversely impact our business.*" As a result of doing business in foreign countries, we are exposed to a risk of violating anti-corruption laws and Sanctions regulations applicable in those countries where we, our partners or agents operate.

For example, a German authority initiated preliminary proceedings against (unknown) individuals due to an initial suspicion that economic sanctions of the European Union against Russia or European export control provisions may have been violated (directly or indirectly) by delivering or making available certain of our products to, or for use in, Russia. ZF has cooperated with the authority and, as a precautionary measure, has conducted its own internal investigation into any potential violation of applicable sanctions, export control provisions and/or internal policies and procedures. The preliminary proceedings of the German authority were ended with a confiscation order. This order imposes a payment duty on ZF because it may have benefitted from unallowed acts of third parties. The order does not find ZF or any current or former ZF executives or employees guilty of violations of sanctions or export control regulations.

Our continued expansion and worldwide operations, including the employment by us of local agents in the countries in which we operate increase the risk of violations of anti-corruption laws or similar laws. Violations of anti-corruption laws and Sanctions regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts) and revocations or restrictions of licenses, as well as criminal fines and imprisonment. In addition, any major violations could have a significant material adverse impact on our reputation and consequently on our ability to win future business and on our business, financial condition or results of operations.

We have policies and procedures in place that are designed to promote compliance with applicable anti-corruption laws and sanctions, and we seek to continuously improve our systems of internal controls and to remedy any

weaknesses we identify through appropriate corrective action depending on the circumstances. However, there can be no assurance that our policies and procedures will be followed at all times or effectively detect and prevent violations of the applicable laws by one or more of our employees, consultants, agents or partners. As a result, we could be subject to penalties and material adverse consequences on our business, financial condition or results of operations if we failed to prevent any such violations.

2.1.4.6 Governmental regulations, international trade barriers, and/or export controls and sanctions could increase our costs and could adversely affect our business and results of operations.

We must monitor and observe a large number of different regulatory systems across the world that change frequently and are continuously evolving and becoming more stringent, in particular with respect to environmental regulations, chemicals and hazardous materials, as well as workers' health regulations. This applies also to air, water and soil pollution regulations and to waste legislation, all of which have recently become more stringent through new laws, in particular in the European Union and the United States. For instance, ISO 14001 is the Group standard for all our production and main development locations, and most of our plants are certified according to ISO 45001 (Health & Safety Management). The number of ISO 45001 certified plants is steadily increasing. However, there can be no assurance that there will be no accidents or other workforce related injuries suffered by our employees, contractors or other third parties on our sites, some of which will be beyond our control. If accidents occur, we could be subject to prosecution and litigation, which could result in fines, penalties or other sanctions imposed on us and could cause damage to our reputation.

In addition, legislators have become focused on the regulation of the supply and value chain (e.g., the U.S. Uyghur Forced Labor Prevention Act) or the Corporate Sustainability Due Diligence Directive (***CSDDD***) on EU-level, which has been voted for by the European Council, and it is expected that the European Parliament will pass the CSDDD in April 2024. In Germany, the Act for a German Supply Chain Duty of Care Act (*Lieferkettensorgfaltspflichtengesetz*) entered into force in 2023 and since January 2024, it requires German companies with more than 1,000 employees to conduct adequate due diligence in relation to human rights and certain environmental risks. In the event of non-compliance with, *inter alia*, the imposed due diligence obligations, companies shall face administrative fines. In addition, for our sites and operations, we require various permits and we have to comply with the requirements specified therein. In the past, adjusting to new requirements has required significant investments and we assume that further significant investments in this regard will be required in the future. Furthermore, any additional regulation restricting or limiting car traffic with an aim at reducing carbon emissions could lead to a material decrease in car sales and consequently adversely affect demand for our products and services.

Furthermore, an introduction of regional or international trade barriers, including tariffs such as those recently imposed by the United States on selected imports from a number of trading partners and a broad range of imports from China and retaliation by those trading partners and China, withdrawal from or renegotiation of bi- and multilateral trade agreements by the United States, or any countermeasures by regional or global trading partners, including the European Union, could have a negative impact on the global economic environment and thereby result in lower demand for ZF Group's products. See also "*2.1.1.6 Adverse developments in the global economic environment and disruptions in financial markets could have an adverse impact on our business, financial condition and results of operations.*" In particular, an increase in such protectionist tendencies globally may impose a risk of additional or higher tariffs on automobiles and on the products, components and raw materials the Group supplies or purchases. Any such development may cause demand for ZF Group's products to drop and costs to increase, and could have a negative impact on ZF Group's business, sales and earnings situation, the Group's supply chain, if suppliers are also negatively affected, or may lead to payment difficulties on the customers' side.

In addition, we are subject to export control laws and sanctions regulations that may limit where and to whom we may sell certain of our products and with whom we conduct business. We are subject to routine foreign trade audits by competent authorities, e.g., in Germany. Moreover, export licenses are required from government agencies for some of our products in accordance with various statutory and regulatory authorities and in some cases we are not allowed to conduct any business. Failure to obtain these necessary licenses or to comply with applicable export controls, may cause for instance the termination or significant limitation on our ability to export certain of our products. See also "*2.1.4.5 We are exposed to risks in relation to compliance with anti-corruption laws and regulations and economic sanction programs.*"

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations, which could in turn adversely affect our ability to fulfill our obligations under the Notes and, as applicable, the Guarantee or cause the market price of the Notes to decline.

2.1.4.7 We are subject to taxation which is complex and often requires making subjective determinations subject to scrutiny by, and disagreements with, tax regulators.

We are subject to many different forms of taxation including but not limited to income tax, withholding tax, value added tax, transfer pricing rules, commodity tax and social security and other payroll related taxes, both in Germany and internationally. Further, tax initiatives could impact the future tax expense or future cash taxes if they are enacted. Tax law and administration is complex and often requires us to make subjective determinations. Tax authorities around the world are increasingly rigorous in their scrutiny of transactions and may not agree with the determinations and judgments that we make with respect to the application of tax law. Such disagreements could result in lengthy legal disputes, an increased overall tax rate applicable to us and, ultimately, in the payment of substantial amounts for tax, interest and penalties, which could have a material adverse effect on our business, financial condition and results of operations. ZF is subject to tax audits in countries where ZF is conducting business. In a tax audit, the tax law, relevant agreements or tax relevant events can be interpreted differently compared to ZF's opinion and could result in an adjustment of the tax basis and in an additional tax demand. We are party to pending administrative tax proceedings in jurisdictions where we conduct business. While we vigorously defend our positions, we cannot predict the outcome of the proceedings.

Any change in tax legislation, administration or case law in Germany or other countries in which we are subject to taxation could lead to higher tax expenses or cash taxes. Such changes also have the potential to significantly influence the development of the markets in which we operate generally. In addition, increasing taxes reducing the income available for consumption may also weaken the global demand in the automotive markets. Tax increases are a likely reaction of the national governments (especially of the EU member states) to the increase of national debt resulting from the various bailout programs set out for banks or, e.g., the stabilization package for EU member states. If markets and, consequently our sales and profitability develop differently than expected in the business plan, this could result in an impairment of tax assets.

There are currently several initiatives being considered at local, state, EU and OECD level which relate, inter alia, to changes to the limitation of interest deductions, the non-recognition of business expenses (based on hybrid elements in the financial product or the parties involved in a transaction or due to a certain residency or place of business of the contractual counterparty), the establishment of anti-abuse and other rules to avoid base erosion and profit shifting (BEPS). Further, changes to tax legislation may result from the implementation of Pillar I and Pillar II, which target global changes to tax regimes to address challenges from the digitalization of the economy as well as the introduction of an effective global minimum tax rate. While the United States have adopted a critical view of these measures, in particular in the EU the binding Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union (Pillar II directive) remains in place. The global effects of the several initiatives to change taxation on a global level remain uncertain. If adverse changes in the tax framework should occur, we could be obliged to pay additional taxes in the jurisdictions in which we are subject to tax.

Additional tax expenses could also accrue in relation to previous tax assessment periods, which are still subject to a tax audit or a pending tax audit or have not yet been subject to a tax audit. As a result, the tax authorities could revise original tax assessments and substantially increase the tax burden (including interest and penalty payments) of affected entities (for example, in connection with transfer pricing, restructuring measures, transaction costs or recovery of indirect taxes).

The realization of any of these risks could have a material adverse effect on our business, financial condition and results of operations.

2.1.5 Risks relating to acquisitions, divestments and/or other strategic partnerships of the ZF Group

2.1.5.1 We may not realize the anticipated benefits of any acquisitions we make or any joint ventures we enter into, and we may incur unforeseen liabilities.

In the future we may make acquisitions of strategic businesses, products or technologies or enter into joint ventures in the automotive or other industries. The success of any future acquisitions and/or joint ventures is dependent upon our ability to identify suitable acquisition or joint venture targets, conduct appropriate due diligence, secure financing, negotiate transactions on favorable terms and ultimately complete such transactions and integrate the related business into our business. Acquisitions or joint ventures involve numerous risks, including:

- difficulties in the integration of the acquired businesses or incorporating joint ventures including challenges with the integration of internal controls;

- the incurrence of significant integration or restructuring costs in excess of estimates;
- the diversion of our management team's attention from other business concerns;
- uncertainties in assessing the value, strengths and potential profitability of, and identifying the extent of all weaknesses of, acquisition or joint venture candidates;
- the incurrence or assumption of unknown liabilities or contingencies, including environmental, tax, pension and litigation liabilities, and undisclosed or unanticipated risks with respect to customers, suppliers, employees, government authorities or other parties;
- adverse effects on existing customer and supplier relationships;
- in the case of joint ventures, changes in the holdings of joint venture partners and resulting lack of control over certain decisions to be made with respect to such joint ventures;
- incurrence of substantial indebtedness;
- entry into markets, including, potentially, emerging markets, in which we have little or no direct prior experience;
- the potential loss of key customers, management and employees of an acquired business;
- potential integration or restructuring costs or capital expenditure backlog;
- the ability to achieve operating and financial synergies; and
- unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying our rationale for pursuing the acquisition.

We cannot ensure that we will be able to successfully integrate acquisitions or incorporate joint ventures that we undertake or that such acquisitions or joint ventures will perform as planned or prove to be beneficial to its business, financial condition and results of operations. If we experience the negative effects of any one or more of the risks identified above, we may not realize the benefits anticipated to result from an acquisition or a joint venture, which could have a material adverse effect on our business, financial condition and results of operations.

2.2 RISKS RELATING TO THE NOTES

Any investment in the Notes involves certain risks associated with the characteristics, specification and type of Notes which could lead to substantial losses that Holders may have to bear in the event of selling their Notes or with regard to receiving interest payments and repayment of principal. Risks regarding the Notes comprise, inter alia, the following risks:

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

- *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 Prospectus or any applicable supplement to this Prospectus;*
- *have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the investment in the Notes will have on its overall investment portfolio;*
- *have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor's functional currency;*
- *understand thoroughly the terms of the Notes and be familiar with the financial markets; and*

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

- *recognize that it may not be possible to sell the Notes for a substantial period of time or at all.*

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers prior to investing in the Notes to determine whether and to what extent (i) the Notes are permitted investments for it, (ii) where relevant, the 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 advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules. Each investor should also consider the tax consequences of investing in the Notes and consult its own tax advisers with respect to the acquisition, sale and redemption of the Notes in light of its personal situation.

2.2.1 Risks relating to the structural subordination of the Notes and the relevant Issuer's or, as applicable, the Guarantor's solvency

2.2.1.1 The Notes in general are structurally subordinated to other creditors of the relevant Issuer's or, as applicable, the Guarantor's subsidiaries.

Generally, claims of creditors of a subsidiary, including trade creditors, secured creditors, and creditors holding indebtedness and guarantees issued by the subsidiary, will have priority with respect to the assets and earnings of the subsidiary over the claims of creditors of its parent company. However, in case of Notes issued by ZF Europe Finance B.V. under the Programme, Holders will have direct claims against the Guarantor under the guarantee issued by the Guarantor guaranteeing the Notes issued by ZF Europe Finance B.V. under the Programme on an unsecured basis.

Accordingly, the Notes will be structurally subordinated to all creditors, including trade creditors, of ZF Friedrichshafen AG's subsidiaries (other than ZF Europe Finance B.V. in case of Notes issued by such issuer). Any right of ZF Friedrichshafen AG to receive assets of any subsidiary upon the insolvency or liquidation of the subsidiary (and the consequent rights of the Holders to participate in those assets) will be structurally subordinated to the claims of these subsidiary's creditors, except to the extent ZF Friedrichshafen AG's claims do not result from (i) its shareholdings, (ii) shareholder loans (or their economic equivalent) subordinated by law, or (iii) contractually subordinated claims, in which case its claims would still be subordinated with respect to any assets of the subsidiary pledged to secure other indebtedness, and any indebtedness of the subsidiary senior to that held by ZF Friedrichshafen AG. In addition, holders of secured indebtedness of ZF Friedrichshafen AG would have a claim on the assets securing such indebtedness that is prior to the Holders and would have a claim that is *pari passu* with the Holders to the extent the security did not satisfy such indebtedness.

The Notes would be subordinated to any secured debt of the relevant Issuer and, as applicable, the Guarantor to the extent of the value of the assets securing such debt.

2.2.1.2 The market value of the Notes could decrease if the creditworthiness of the relevant Issuer or, as applicable, the Guarantor worsens or is perceived to worsen.

If, for example, because of the materialization of any of the risks regarding the ZF Group, the relevant Issuer or, as applicable, the Guarantor is less likely to be in a position to fully perform all of its obligations under the Notes or the Guarantee, respectively, when due, the market value of the Notes may suffer. Even if the relevant Issuer or, as applicable, the Guarantor is not actually less likely to be in a position to fully perform all such obligations when due, market participants (including rating agencies) 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 areas as the ZF Group could adversely change.

If any of these risks occurs, the market value of the Notes could decrease, potentially by a significant amount.

2.2.1.3 The Notes and the Guarantee could become effectively subordinated to the Group's debt to the extent such debt is secured by assets that are not also securing the Notes.

Although the Terms and Conditions and the Guarantee restrict the relevant Issuer's and, as applicable, the Guarantor's and, to the extent legally possible, ZF Friedrichshafen AG's material subsidiaries' ability to provide asset security for the benefit of other capital market indebtedness without securing the Notes equally, the requirement to provide equal security to the Notes is subject to a number of exceptions and carve-outs. To the extent the relevant Issuer or, as applicable, the Guarantor provides asset security for the benefit of other debt without also securing the Notes, the Notes and, as applicable, the Guarantee will be effectively subordinated to such debt to the extent of such assets.

As a result of the foregoing, holders of (present or future) secured debt of the Group may recover disproportionately more on their claims than the Holders in an insolvency, bankruptcy or similar proceeding. The relevant Issuer and the Guarantor may not have sufficient assets remaining to make payments on the Notes or, as applicable, the Guarantee.

2.2.1.4 The proceeds from the enforcement of the Guarantee may not be sufficient to satisfy the obligations under the Notes.

The Notes issued by ZF Europe Finance B.V. will be guaranteed by the Guarantor as specified in the Terms and Conditions. No appraisal of the value of the assets of the Guarantor has been made in connection with the issue of the Notes. In addition, the Terms and Conditions permit the incurrence of financial indebtedness in the future that is secured by the Guarantor's assets. The amount to be received upon an enforcement of the Guarantee would depend on numerous factors affecting the financial situation of the Guarantor at the time of its enforcement. Further, the Guarantor may be required by law to withhold or deduct taxes from payments on the Guarantee even in cases where the Issuer would not be required to do so. Under the Guarantee, the Guarantor will only be required to pay additional amounts (gross-up payments) to the Holders if none of the exemptions provided for in the terms of the Guarantee applies. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding of the Guarantor, the payments under the Guarantee may not be sufficient to repay the obligations under the Notes.

2.2.1.5 Credit ratings may not reflect all risks and are subject to change, suspension, or withdrawal at any time.

S&P Global Ratings Europe Limited (***S&P***) and Moody's Deutschland GmbH (***Moody's***) have assigned a credit rating to ZF AG and are expected to assign credit ratings to the Notes which will be issued under the Programme. The market value of the relevant Notes is likely to be dependent upon the level of such credit ratings assigned. In April 2020, S&P lowered its long-term ratings to ZF AG to "BB+" and assigned a negative outlook. This downgrade happened due to the COVID-19 pandemic and its caused forecasted decline in global auto demand resulting in intense pressure on auto suppliers in 2020. The outlook was revised to stable in 2022 and reflects ZF's commitment to reduce its leverage in the next 12 months despite rising input costs and supply chain disruptions. In August 2024, S&P revised our outlook to negative from stable, and affirmed our 'BB+' long-term issuer credit rating and issue ratings on the company and its unsecured debt. On April 22, 2025, S&P revised our long-term issuer credit rating and the issue rating on our unsecured debt to BB- and assigned a stable outlook. In March 2020, Moody's lowered ZF's long-term corporate credit rating to "Ba1" with review for further downgrade. On September 14, 2022, Moody's confirmed the Ba1 rating and changed the outlook to stable from negative. In December 2024, Moody’s downgraded ZF AG's ratings to Ba2 with a stable outlook, following a previous review for downgrade. The downgrade reflects the ongoing cyclical and structural pressure on volumes and margins in ZF’s key automotive markets. However, such credit ratings only reflect the assessment by the aforementioned rating agencies of the credit risks associated with the ZF Group or the relevant Notes. They may not reflect the potential impact of all risks related to the structure, market and additional factors discussed herein, recent developments and other factors that may affect the value of the relevant Notes. A credit rating is not a recommendation to buy, sell or hold the Notes and may be revised, suspended or withdrawn by the respective rating agency at any time. Any change, suspension or withdrawal of the credit rating assigned to ZF AG and/or the relevant Notes by one or more of the credit rating agencies may adversely affect the cost and terms and conditions of the relevant Issuer's or, as applicable, the Guarantor's financings. In addition, in the event of a change, suspension or withdrawal of a credit rating, the price and the market value of the Notes may be affected. As a result, an investor may incur financial losses as he may only be able to sell the Notes at a lower price.

Where a tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be issued or endorsed by a credit rating agency established in the EEA and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended (the ***CRA Regulation***) or by a credit rating agency which is certified under the CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes unless (1) such

rating is issued by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

2.2.1.6 Although the occurrence of specific change of control events will permit Holders to require redemption or repurchase of the Notes, the relevant Issuer may not be able to redeem or repurchase such Notes.

Upon the occurrence of specific change of control events, the Holders will have the right to require the redemption or repurchase of all or part of their Notes at an amount specified in the Final Terms, plus accrued and unpaid interest. The Issuers' ability to redeem or repurchase Notes upon such a change of control event will be limited by the relevant Issuer's access to funds at the time of the redemption or repurchase. Upon a change of control event, the relevant Issuer and, as applicable, the Guarantor may be required immediately to repay the outstanding principal, any accrued interest on and any other amounts owed by it under one or more of its bank facilities or other debt. The source of funds for these repayments would be the available cash or cash generated from other sources. However, it cannot be assured that there will be sufficient funds available upon a change of control event to make these repayments and any required redemption or repurchases of Notes. In that case, the relevant Issuer's failure to purchase any of the Notes would constitute an event of default under the Terms and Conditions, which would likely cause a default under other debt obligations.

2.2.2 Liquidity Risk

2.2.2.1 There could be no active public trading market for the Notes.

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Programme to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange. However, the Programme provides that Notes may be listed on other or further stock exchanges or may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance regarding the future development of a market for the Notes or the ability of Holders to sell their Notes or the price at which Holders may be able to sell their Notes. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, the Group's operating results, the market for similar securities and other factors, including general economic conditions, performance and prospects, as well as recommendations of securities analysts. The liquidity of, and the trading market for, the Notes may also be adversely affected by declines in the market for debt securities generally. Such a decline may affect any liquidity and trading of the Notes independent of the Group's financial performance and prospects. If Notes are not listed on any exchange, pricing information for such Notes may be more difficult to obtain which may affect the liquidity of the Notes adversely.

2.2.3 Market Price and Exchange Rate Risk

2.2.3.1 The development of market prices of the Notes depends on various factors.

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policies of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The Holders are therefore exposed to potential unfavorable developments in the market prices of their Notes which would be realized if the Holders sell the Notes prior to the final maturity of such Notes. If a Holder decides to hold the Notes until final maturity, the Notes will be redeemed at the amount set out in the relevant Final Terms.

2.2.3.2 A Holder of Notes denominated in a foreign currency (i.e., a currency other than the home currency of such Holder) is exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes.

A Holder of Notes denominated in a foreign currency (i.e., a currency other than the home currency of such Holder) is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors, such as macro-economic factors, speculative transactions and interventions by central banks and governments. A change in the value of any foreign currency against the euro, for example, will result in a corresponding change in the euro value of Notes denominated in a currency other than euro and a corresponding change in the euro value of interest and principal payments made in a currency other than euro in accordance with the terms of such Notes. If the underlying exchange rate falls and the value of the euro rises correspondingly, the price of the Notes and the value of interest and principal payments

made thereunder expressed in euro fall. In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected.

2.2.3.3 The Notes are subject to inflation risks.

The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on a Note. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

2.2.4 Risks relating to specific Terms and Conditions of the Notes or associated with Notes with a specific Use of Proceeds

2.2.4.1 The Issuer may redeem the Notes early.

The relevant Issuer will always have the right to redeem the Notes prior to maturity in case the relevant Issuer will be required to pay additional amounts (gross-up payments) on the Notes for reasons of taxation as set out in the Terms and Conditions.

In addition, the applicable Final Terms will indicate if the relevant Issuer has the right to call the Notes prior to maturity (optional call right) (i) at the option of the relevant Issuer on any specified Call Redemption Date(s), (ii) at the option of the relevant Issuer at the Make-Whole Amount (each as defined in the Terms and Conditions), (iii) upon the occurrence of a transaction related event, (iv) if payments on the Notes are linked to a benchmark and such benchmark is discontinued or otherwise unavailable and it is not possible, in the opinion of the relevant Issuer, to determine a successor benchmark and/or (v) at the option of the Issuer for reason of minimal outstanding principal amount.

If the relevant Issuer redeems the Notes prior to maturity, a Holder of such Notes is exposed to the risk that his investment will have a lower than expected yield due to such early redemption and, in addition, Holders would be required to re-invest the funds concerned earlier than expected.

2.2.4.2 The market-value of fixed rate Notes is dependent on market interest rates.

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

2.2.4.3 A Holder of a floating rate Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income.

A Holder of a floating rate Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of floating rate Notes in advance. Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Notes.

Floating rate Notes may be structured to include caps or floors, or any combination of those features. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the Holder will not be able to benefit from any actual favorable development beyond the cap. The yield could therefore be considerably lower than that of similar floating rate Notes without a cap.

2.2.4.4 Risks associated with the reform of EURIBOR and other interest rate benchmarks.

The Euro Interbank Offered Rate (***EURIBOR***) and other interest rates or other types of rates and indices which are deemed "benchmarks" (each a ***Benchmark*** and together, the ***Benchmarks***) have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of

these reforms are already effective whilst others are still to be implemented. These reforms may cause such Benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a Benchmark.

International proposals for reform of Benchmarks include the European Council's regulation (EU) 2016/1011 of June 8, 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the ***Benchmarks Regulation***) which is fully applicable since January 1, 2018.

The Benchmarks Regulation could have a material impact on Notes linked to a Benchmark, including in any of the following circumstances:

- a rate or index which is a Benchmark may only be used if its administrator obtains authorization or is registered and in case of an administrator which is based in a non-EU jurisdiction, if the administrator's legal benchmark system is considered equivalent (article 30 Benchmarks Regulation), the administrator is recognized (article 32 Benchmarks Regulation) or the Benchmark is endorsed (article 33 Benchmarks Regulation) (subject to applicable transitional provisions). If this is not the case, Notes linked to such Benchmarks could be impacted; and
- the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmarks Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could impact the Notes, including calculation agent determination of the rate.

Interest amounts payable under floating rate Notes issued under the Programme are calculated by reference to EURIBOR which is as at the date of this Prospectus provided by the European Money Markets Institute (***EMMI***). As at the date of this Prospectus, EMMI appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (***ESMA***) pursuant to article 36 Benchmarks Regulation.

In addition to the aforementioned Benchmarks Regulation, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Following the implementation of any such potential reforms, the manner of administration of Benchmarks may change, with the result that they may perform differently than in the past, or Benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted. If a Benchmark were to be discontinued or if its methodology were materially changed or if such Benchmark were otherwise unavailable, the rate of interest for floating rate Notes which are linked to such Benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes, which in the end could lead, *inter alia*, to determination of the applicable interest rate on the basis of another benchmark determined by the Issuer in its discretion, or to a previously available rate of the Benchmark being applied until maturity of the floating rate Notes, effectively turning the floating rate of interest into a fixed rate of interest, or to an early termination of the relevant Notes at the option of the Issuer. Under these fallback provisions, the Benchmark will be substituted, if possible, by a replacement offered interest rate or an alternative offered interest rate determined by the Issuer (possibly after consultation with an independent adviser and possibly after application of adjustments or spreads). If this is not possible, the interest rate for the relevant interest period will be determined on the basis of the offered interest rate that was used for the last preceding interest period and such rate will continue to apply for future interest periods of the Notes until a replacement offered interest rate or an alternative offered interest rate will be determined by the Issuer in accordance with the fallback provisions. In addition, if, in the Issuer's opinion, it is not possible to determine a replacement offered interest rate or an alternative offered interest rate in accordance with the fallback provisions and if the Final Terms so provide, the Issuer will be entitled to call the Notes for redemption at their principal amount, together with interest accrued (if any). Due to the uncertainty concerning the availability of a replacement offered interest rate or an alternative offered interest rate, the relevant further fallback provisions may not operate as intended at the relevant time.

Further, under the terms of the Benchmarks Regulation, the European Commission was also granted powers to designate a replacement for certain critical benchmarks contained in contracts governed by the laws of an EU Member State (such as the Notes), where that contract does not already contain a suitable fallback. There can be no assurance, that the fallback provisions of the Notes would be considered suitable. Accordingly, there is a risk that any Notes linked or referencing a Benchmark would be transitioned to a replacement Benchmark selected by the European Commission. There is no certainty at this stage what any such replacement Benchmark would be.

Any changes to a Benchmark as a result of the Benchmarks Regulation or other initiatives could have a material adverse effect on the costs of refinancing a Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Although it is uncertain whether or to what extent any of the above mentioned changes and/or any further changes in the administration or method of determining a Benchmark could have an effect on the value of any Notes linked to the relevant Benchmark, investors should be aware that any changes to a relevant Benchmark may have a material adverse effect on the value or liquidity of, and the amounts payable on, floating rate Notes whose rate of interest is linked to such Benchmark.

2.2.4.5 Risks associated with Notes with a specific use of proceeds, such as Green Bonds.

The Final Terms relating to any tranche of Notes issued under the Programme may provide that it will be the Issuer's intention to apply an amount equal to the proceeds from an offer of those Notes specifically for projects and activities that promote climate friendly and other environmental or social purposes (***Green Projects***). Such Notes are hereinafter referred to as green bonds (***Green Bonds***). Prospective investors should have regard to the information set out in the relevant Final Terms regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Green Bonds together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer or, as applicable, the Guarantor or any Dealer that the use of such proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules, investment portfolio mandates, ratings criteria, voluntary taxonomies or standards or other independent expectations, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses that are the subject of or related to, any Eligible Green Projects.

Furthermore, notwithstanding the current legislative efforts on EU level regarding the regulation of sustainable finance, amongst others the adoption of Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the so-called ***EU Taxonomy***) and the delegated acts supplementing EU Taxonomy, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "sustainable" or an equivalently labelled project or as to what precise attributes are required for a particular project to be defined as "green" or "sustainable" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time.

There has been an increased focus from regulators and stakeholders on ESG matters, including greenhouse gas emissions and climate-related risks, diversity, equity, and inclusion, responsible sourcing and supply chain management, human rights and social responsibility, risk management, and corporate governance and oversight. This has resulted in expanding and increasingly complex mandatory and voluntary reporting, diligence, and disclosure on ESG topics. For example, on November 22, 2023, the European Commission published Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (***EuGB Regulation***), which came into effect on December 21, 2024. The EuGB Regulation sets out the European Green Bond Standard which can be used on a voluntary basis by issuers (the ***European Green Bond Standard***). The European Green Bond Standard generally requires the use of proceeds to be aligned with the EU Taxonomy. Nothing in this Prospectus implies that the Green Bonds issued under the Programme may comply with the EuGB Regulation. The Green Bonds issued under the Programme may not at any time be eligible for the Issuer, the Arranger or any of the Dealers to be entitled to use the designation of "European Green Bond" or "EuGB" nor are the Issuer, the Arranger or any of the Dealers under any obligation to take steps to have any Green Bonds become eligible for such designation.

There can be no assurance by the relevant Issuer nor the Dealers that the use of proceeds of any Green Bonds will satisfy, whether in whole or in part, any future legislative or regulatory requirements, or any present or future investor expectations or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under its own by-laws or other governing rules or investment portfolio mandates. In addition, no assurance is or can be given to investors that any adverse environmental and/or other impacts, which are beyond the control of the Company, will not occur during the implementation of any projects or uses that are the subject of, or related to, any Green Projects. Also, the criteria for what constitutes an Eligible Green Project may be changed from time to time. These developments and other rapidly changing laws, regulations, policies and related interpretations, as well as increased enforcement actions by various governmental and regulatory agencies, may create challenges for us, may alter the environment in which we do business and may increase the ongoing costs of compliance.

In connection with the issue of Green Bonds, the relevant Issuer may appoint one or more external provider(s) to provide a green or equivalent evaluation (the ***Evaluation***). Such Evaluation is not incorporated in, and does not

form part of, this Prospectus. Such Evaluation provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in Green Bonds including without limitation market price, marketability, investor preference or suitability of any security. Such Evaluation is a statement of opinion, not a statement of fact. Such Evaluation is not a recommendation to buy, sell or hold Green Bonds. No assurance is given that such Evaluation correctly assesses the potential environmental impact of the issue of Green Bonds or the Issuer generally. Such Evaluation generally is only current as of the date it is released and may be updated, suspended or withdrawn by the relevant provider(s) at any time. Any withdrawal of any such Evaluation or any additional Evaluation attesting that we are not complying in whole or in part with any matters for which such Evaluation is opining or certifying may have a material adverse effect on the value of the Green Bonds and/or result in adverse consequences for certain investors with mandates to invest in securities to be used for a particular purpose. Currently, the providers of green or equivalent evaluations, excluding those falling under the scope of the European Green Bond Standard, are not subject to any specific regulatory regime or other regime or oversight. Prospective investors must determine for themselves the relevance of any Evaluation for the purpose of any investment in Green Bonds. In particular, no assurance or representation is made or given that any such Evaluation reflects any present or future requirements, investment criteria or guidelines which may apply to any investor or its investments. Holders of Green Bonds will have no recourse against the provider(s) of any Evaluation.

None of the Issuer and, as applicable, the Guarantor is responsible for any third party assessment of the Green Bonds. Nor is any Dealer responsible for (i) any assessment of Green Bonds, or (ii) the monitoring of the use of proceeds. In addition, it would not (i) constitute a breach of contract or an event of default under the terms of the Green Bonds or, as applicable, the Guarantee, (ii) give rise to any claim by a Holder against the relevant Issuer, the Guarantor or any Dealer, (iii) give a right to Holders of any Green Bonds to request the early redemption or acceleration of the relevant Green Bonds or (iv) lead to an obligation of the relevant Issuer to redeem the Green Bonds or be a relevant factor for such Issuer in determining whether or not to exercise any optional redemption rights in respect of any Green Bonds if the relevant Issuer or, as applicable, the Guarantor fails to observe the provisions set out in the Final Terms for the Green Bonds relating to the use of proceeds of the Green Bonds.

In the event that any of the Green Bonds are listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other similarly labelled segment of any stock exchange or securities market (whether or not regulated), or are included in any dedicated "green", "environmental", "sustainable" or other equivalently-labelled index, no representation or assurance is given by the Issuer or any other person that such listing or admission, or inclusion in such index, satisfies any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another and also the criteria for inclusion in such index may vary from one index to another. Moreover, no representation or assurance is given or made by the Issuer or any other person that any such listing or admission to trading, or inclusion in any such index, will be obtained in respect of Green Bonds or, if obtained, that any such listing or admission to trading, or inclusion in such index, will be maintained during the life of Green Bonds.

Prospective investors should carefully review the information set out in the Final Terms relating to the Green Bonds regarding the expected use of the net proceeds from the Green Bonds and determine for themselves the relevance of such information for the purpose of any investment in the Green Bonds together with any other investigation such investor deems necessary. Any failure to apply an amount applicable to the proceeds from the offer of the Green Bonds as set out in the relevant Final Terms for and/or any negative change to, or withdrawal or suspension of, any third-party assessment of the Green Bonds and/or Green Bonds no longer being listed or admitted to trading on any stock exchange or securities market or included in a certain index as aforesaid may have a material adverse effect on the value of the Green Bonds and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose (which consequences may include the need to sell the Green Bonds as a result of the Green Bonds not falling within the investor's investment criteria or mandate). The value of the Green Bonds may be also negatively affected to the extent demand for sustainability- or green-themed investment products diminishes due to evolving investor preferences, increased regulatory or market scrutiny on funds and strategies dedicated to sustainability, green, environmental social or governance themed investing or for other reasons.

2.2.4.6 Green Bonds are not linked to the performance of the Green Projects, do not benefit from any arrangements to enhance the performance of the Green Bonds or any contractual rights derived solely from the intended use of proceeds of such Green Bonds.

The performance of the Green Bonds is not directly linked to the performance of the relevant Green Projects or the performance of the relevant Issuer, the Group and/or certain legal entities within the Group in respect of any

environmental or similar targets. Consequently, neither payments of principal and/or interest on the Green Bonds nor any rights of Holders shall depend on the performance of the relevant Green Projects or the performance of the Issuer, the Group and/or certain legal entities within the Group in respect of any such environmental or similar targets. Holders of any Green Bonds shall have no preferential rights or priority against the assets of any Green Project nor benefit from any arrangements to enhance the performance of the Green Bonds.

2.2.5 Risks relating to laws and regulations applicable to the Notes as well as transaction costs applicable to the purchase, holding and sale of the Notes

2.2.5.1 Resolutions of Holders.

If the Terms and Conditions of Notes provide for meetings of Holders of a series of Notes or the taking of votes without a meeting, the Terms and Conditions of such Notes and the Guarantee may be amended (as proposed or agreed by the relevant Issuer and/or the Guarantor) by majority resolution of the Holders of such Notes and any such majority resolution will be binding on all Holders. Any Holder is therefore subject to the risk that its rights against the Issuer under the Terms and Conditions of the relevant series of Notes are amended, reduced or even cancelled by a majority resolution of the Holders. Any such majority resolution will even be binding on Holders who have declared their claims arising from the Notes due and payable based on the occurrence of an event of default but who have not received payment from the Issuer or, as applicable, the Guarantor prior to the amendment taking effect. According to the German Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz* – ***SchVG***), the relevant majority for Holders' resolutions is generally based on votes cast, rather than on the aggregate principal amount of the relevant Notes outstanding. Therefore, any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the relevant Notes outstanding.

2.2.5.2 Holders' Representative.

If the Notes provide that the Holders of a series of Notes are entitled to appoint a Holders' representative (the ***Holders' Representative***) by a majority resolution of such Holders or if a Holders' Representative has been appointed in the Terms and Conditions of a series of Notes it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer or, as applicable, the Guarantor, such right passing to the Holders' Representative who is then exclusively responsible to claim and enforce the rights of all the Holders of the relevant series of Notes. On the other hand, if the appointment of a Holders' Representative is delayed or does not occur, this will make it more difficult for Holders to take collective action to enforce their rights under the Notes and, as applicable, the Guarantee.

2.2.5.3 Quorum requirement and SchVG risks in case of certain events of default.

The Terms and Conditions provide that, in case of certain events of default, any notice declaring the Notes due and payable shall become effective only when the Fiscal Agent has received such default notices from Holders representing at least 10.0% of the aggregate principal amount of Notes then outstanding. Under the SchVG, even if a default notice is given by a sufficient number of Holders of Notes, this could be rescinded by majority resolution within three months. A simple majority of votes would be sufficient for a resolution on the rescission of such acceleration but, in any case, more Holders would have to consent to a rescission than have delivered default notices.

Holders should be aware that, as a result, they may not be able to accelerate their Notes upon the occurrence of certain events of default, unless the required quorum of Holders delivers default notices and such acceleration is not rescinded by majority resolution of the Holders.

2.2.5.4 No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the date of this Prospectus.

The Terms and Conditions of the Notes will be based on the laws of Germany in effect as at the date of this Prospectus. In addition, the Issuers and the Guarantor are incorporated under the laws of either Germany or the Netherlands and are subject to the laws of these jurisdictions. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice or the official application or interpretation of law after the date of this Prospectus. Any such decision, change, application or interpretation could have a material adverse impact on the market value of the Notes.

2.2.5.5 Holders are subject to tax risks.

Potential investors of the Notes should be aware that stamp duty and other taxes and/or charges may be levied in accordance with the laws and practices in the countries where the Notes are transferred and other relevant jurisdictions.

2.2.5.6 The Notes are subject to transaction costs and charges.

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of the Notes. These incidental costs may significantly reduce or eliminate any profit from holding the Notes. Credit institutions generally charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the value of the order. To the extent that additional parties are involved in the execution of an order, including domestic dealers or brokers in foreign markets, Holders 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 securities (direct costs), potential investors must also take into account any follow-up costs (such as custody fees). Potential investors should inform themselves about any additional costs or fees incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

3. GENERAL INFORMATION ON THE ISSUERS AND THE GUARANTOR

3.1 ZF FRIEDRICHSHAFEN AG

3.1.1 General Information

3.1.1.1 Incorporation, Registered Office, Duration, Name, Website

ZF AG was incorporated on May 27, 1921 under the laws of Germany as a stock corporation (*Aktiengesellschaft*) and is operating under German law. It is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Ulm, Germany, under registration number HRB 630206 and has its registered office at Löwentaler Straße 20, 88046 Friedrichshafen, Germany (telephone number: +49 7541 77-0). The duration of ZF AG is indefinite. ZF AG's Legal Entity Identifier (LEI) is 529900CAYOWB8YIG7X25.

ZF AG's legal and commercial name is "ZF Friedrichshafen AG".

ZF AG's website is available at *www.zf.com*. The information on ZF AG's website does not form part of this Prospectus unless it is explicitly incorporated by reference into this Prospectus.

3.1.1.2 History and Development

ZF's history stretches back to its foundation as a gearwheel factory named Zahnradfabrik GmbH in 1915 with the objective to produce gears and transmissions for aircraft, motor vehicles, and motorboats. In 1921, the company's legal form was changed to a German stock corporation (*Aktiengesellschaft*) named Zahnradfabrik Aktiengesellschaft. In 2011, the major German ZF subsidiaries were merged into ZF. As of today, ZF is ZF Group's main operating entity and acts as the management and holding company for the ZF Group, which operates locations in 41 countries worldwide.

From the very beginning, ZF's aim was to create innovative products designed for optimum mobility. ZF has continuously developed from its early days, producing gearwheels and transmissions for the Zeppelin airships, to become the present-day international group supplying driveline, chassis as well as active and passive safety technology especially to the automotive industry. Some of the key milestones of the Group's development in recent years were:

- the takeover of Mannesmann Sachs AG with its powertrain, chassis, rubber-metal and aftermarket trading business units in 2001;
- the acquisition of the Cherry Corporation in 2008 in order to reinforce our competence profile in the fields of mechatronics and electronics;
- the acquisition of Hansen Transmissions International N.V. in 2011 and of the industrial gears and wind turbine gearbox business from Bosch Rexroth in 2015 in order to further diversify our product portfolio in the area of wind turbine gearboxes;
- the acquisition of TRW in 2015 in order to enhance our global footprint, expand our customer base and to further diversify our product portfolio in the areas of integrated safety and automated driving systems;
- the foundation of Zukunft Ventures GmbH, the venture capital company of the ZF Group in 2016, and the following investments in participations such as Ibeo Automotive Systems GmbH (44%) and doubleSlash Net Business GmbH (51%);
- the presentation of the ZF ProAI platform in 2017 as a result of ZF's cooperation with NVIDIA, a system for automated freeway driving that is based on NVIDIA's artificial intelligence solutions and enables vehicles to "understand" their surroundings by using deep learning technology to process and interpret data from sensors and cameras;
- investments in participations such as e.GO Moove GmbH, Astyx GmbH (both in 2017) and the Indian IT service provider AVIN Systems (both in 2018), as well as the sale of the Group's Body Control Systems business unit (in 2018);
- the partnership entered into in 2019 among ZF, Transdev Group S.A., a leading operator and global integrator of mobility solutions, and e.GO Moove GmbH, a manufacturer of electric vehicles, to jointly develop a new shared mobility solutions a specialist for image-based 3D systems for the recording and analysis of human movement;
- the acquisition in 2019 of majority stakes in 2getthere B.V., which offers complete automated and electric transport systems, to strengthen ZF's foothold in the mobility-as-a-service and automated guided vehicle

growth markets and to complement ZF's existing activities in these fields, as well as in Simi Reality Motion Systems GmbH;

- the opening in 2019 of a joint transmission plant in Jiaxing (China) by ZF and Beiqi Foton Motor Co., Ltd. (**Foton**) a Chinese commercial vehicle manufacturer, to produce automatic commercial vehicle transmissions for the Chinese market;
- the partnership entered into in 2019 between ZF Windpower and Envision Energy, a wind turbine technology company based in Shanghai, China, to jointly develop and supply gearbox solutions for next-generation offshore wind turbines;
- the partnership entered into in 2019 with Danfoss Silicon power GmbH, a specialist company in silicon-cabride power modules, to improve the efficiency of electric drivelines by leveraging engineering and cost benefits at the interface between power modules and inverters;
- the acquisition in 2020 of WABCO, a global supplier of electronic, mechanical, electro-mechanical and aerodynamic products for major manufacturers of commercial trucks, buses and trailers, as well as passenger cars, designed to improve vehicle safety, efficiency and performance while reducing overall vehicle operating costs; and
- the disposal of WABCO's shares in R.H. Sheppard Co. Inc., completed in June 2020.

ZF also consequently divested certain non-core business lines.

3.1.2 Organizational Structure

ZF acts as the main operating and holding company for the ZF Group and performs group-wide functions as a management company. These include, for example, financing, group controlling and accounting, research and development, purchasing, as well as legal affairs, internal auditing, corporate communication, and human resources management.

Our Group is set up as a matrix organization which links the Group-wide competencies of the corporate functions with the global business responsibility of the divisions and business units. The central departments of our Group are headed by members of the Board of Management. ZF Group comprises the following business divisions: Chassis Solutions (established on January 1, 2024 by combining the former Active Safety Systems and Car Chassis Technology), Electrified Powertrain Technology (established on January 1, 2021 by combining the former divisions Car Powertrain Technology and E-Mobility), Electronics and Advanced Driver Assistance Systems (*ADAS*), ZF LIFETEC (the former Passive Safety Systems division), Commercial Vehicle Solutions (established on January 1, 2022 by combining the former division Commercial Vehicle Control Systems and Commercial Vehicle Technology), Industrial Technology and Aftermarket. The business divisions are directly assigned to members of the Board of Management. The same applies to the responsibilities with regard to the North America, South America, and Asia-Pacific regions.

The Group's organizational structure as of the date of this Prospectus is set forth in the following chart:

Chassis Solutions Division	**Electrified Powertrain Technology Division**	**Electronics and ADAS Division**	**ZF LIFETEC**	**Commercial Vehicle Solutions Division**	**Industrial Technology Division**	**Aftermarket Division**
System House Vehicle Motion Control Brake Controls Foundation Brakes Steering Suspension Chassis Components	Electrified Powertrain Systems Powertrain Modules & eMotors Electronics Axle Drives	Advanced Driver Assistance Systems (*ADAS*) and Electronics Operations Intercompany Product Line Passive Safety Product Line	Inflatable Restraint Systems Seat Belt Systems Steering Wheel Systems	Driveline Technology Chassis Structure Chassis Control Bus & Trailer Solutions	Off-Highway & Test Systems Wind Power Technology & Industrial Drives Marine and Special Driveline Technology	Passenger Cars Aftermarket Commercial Vehicles Aftermarket Industrial Aftermarket Digital Solutions

3.1.3 Administrative, Management and Supervisory Bodies

The governing bodies of ZF are the Board of Management (*Vorstand*) (the ***Board of Management***), the Supervisory Board (*Aufsichtsrat*) (the ***Supervisory Board***) and the general shareholders' meeting (*Hauptversammlung*).

3.1.3.1 Board of Management

The Board of Management is responsible for managing the ZF Group's day-to-day business and for representing ZF in dealings with third parties. As of the date of this Prospectus, the Board of Management comprises six members. Their respective responsibilities and their principal activities outside the ZF Group to the extent those activities are significant with respect to the ZF Group are set out below:

Name	Member since	Responsibilities	Membership on other administrative, management or supervisory bodies
Dr. Holger Klein (Chief Executive Officer)	2018[1]	Sales, Research and Development, System House of Autonomous Mobility Systems Aftermarket, Electronics and ADAS Region of Asia-Pacific	• Member of the German Automotive Association (*Verband der Automobilindustrie – VDA*)
Michael Frick (Chief Financial Officer)	2022	Finance, IT and M&A ZF Lifetec	• Member Beirat HG III, Speaker Ausschuss Finanzen • Chairman Industriebeirat CDU
Prof. Dr. Peter Laier (Member)	2023	Commercial Vehicle Solutions, Industrial Technology Production, Materials Management Region of India	• Member of the board of management of VDMA (*Verband Deutscher Maschinen- und Anlagenbau e.V.*) • Member of the board of management of VDA commercial vehicles
Dr. Lea Corzilius (Chief Human Resources Officer/Director of Labor Relations)	2023	Human Resources, Corporate Governance and Sustainability	• Member of the board of management of bayme vbm • Member of the board of management of südwestmetall • Member of the board of management of ZU Stiftungsrat • Member of the board of management of ZF hilft e.V. • Member of the board of management of the German Society for People Management (*Deutsche Gesellschaft für Personalführung e.V.*)
Dr. Peter Holdmann (Member)	2024	Quality Chassis Solutions Region of North and South America	• Member of the Supervisory board of IdeenExpo GmbH • Managing Director of FTU Beteiligungsverwaltung GmbH
Mathias Miedreich (Member)	2025	Electrified Powertrain Technology	• Member of the Supervisory Board of VERKOR SAS, Grenoble (France)

Dr. Peter Holdmann joined the Board of Management on May 1, 2024. Since 2019, he has headed the Car Chassis Technology division, which was transferred to the new Chassis Solutions Division. Dr. Holdmann is responsible for the Chassis Solutions Division, the quality department and the North and South America Regions.

[1] Dr. Holger Klein became CEO in 2023.

Stephan von Schuckmann left the Board of Management as of July 31, 2024. His responsibilities have been provisionally assumed by CEO Dr. Holger Klein (Electrified Powertrain Technologies Division and Asia-Pacific Region) and Prof. Dr. Peter Laier (Materials Management).

Dr. Martin Fischer has decided not to extend his contract which was due to expire in November 2024. As a result, he serves no longer as a member of the Board of Management after November 1, 2024.

As of January 1, 2025, Mathias Miedreich was elected as member of the Board of Management and is responsible for the Electrified Powertrain Technologies Division.

The members of the Board of Management may be contacted at the business address of ZF AG: Löwentaler Straße 20, 88046 Friedrichshafen, Germany.

3.1.3.2 Supervisory Board

The Supervisory Board supervises and advises the Board of Management in its management of ZF Group and represents ZF in transactions between a member of the Board of Management and ZF. The Supervisory Board appoints and may dismiss members of the Board of Management. In general, the Supervisory Board is not directly involved in the day-to-day management of ZF Group. However, pursuant to the Articles of Association, certain transactions require the consent of the Supervisory Board.

The Supervisory Board generally consists of 20 members, including ten members elected by the shareholders at a shareholders' meeting (*Anteilseignervertreter*) in accordance with the provisions of the German Stock Corporation Act (*Aktiengesetz*) and ten members selected by the ZF employees, in accordance with the provisions of the German Codetermination Act (*Mitbestimmungsgesetz*). The Supervisory Board members are usually elected for a fixed term of five years. Each term expires at the end of the annual general meeting in the fourth fiscal year after the year in which such Supervisory Board member was elected. Supervisory Board members may be re-elected.

As of the date of this Prospectus, the members of the Supervisory Board and their principal activities outside the ZF Group to the extent those activities are significant with respect to the ZF Group, are:

Name	Function	Membership on other administrative, management or supervisory bodies
Dr. Rolf Breidenbach	Chairman	• Member of the advisory board of STIHL Holding AG & Co. KG • Member of the supervisory board of STIHL AG • Member of the supervisory board of DÜRR AG • Chairman of the Board of Trustees of the GABRIELE und JÜRGEN KLUGE-FOUNDATION • Member of the Advisory Board of Leopold Kostal GmbH & Co. KG, Lüdenscheid
Simon Blümcke	Member	• Lord Mayor (*Oberbürgermeister*) of the City of Friedrichshafen • Chairman of the Supervisory Board of ZEPPELIN GmbH • Chairman of the Supervisory Board of Luftschiffbau Zeppelin GmbH • Chairman of the Supervisory Board of the Zeppelin Foundation • Vice - Chairman of the Supervisory Board of STADTWERK AM SEE GmbH & Co. KG • Chairman of the Supervisory Board of Friedrichshafen Clinical Center (*Klinikum Friedrichshafen GmbH*) • Chairman of the Board of Trustees of ZF Cultural Foundation

Rachel Empey	Member	• Member of the supervisory board of BMW AG • Member of the supervisory board of Deutsche Telekom AG • Member of bank advisory groups Commerzbank AG • Member of Board of Trustees (and Economic Committee) of the Else-Kröner-Fresenius Stiftung • Mentor Russell Reynolds
Robert Friedmann	Member	• Chairman of the central management board of the Würth Group • Member of the supervisory board of Krones AG
Klaus Helmrich	Member	• Member of the supervisory board of Friedhelm Loh Familienstiftung • Member of the supervisory board of FESTO SE • Member of the supervisory board of Infineon AG • Member of the Supervisory Board of Diehl Stiftung und Co. KG, Nürnberg
Ingrid Jägering	Member	• CFO at STIHL AG and further seats within subsidiaries of Stihl Holding AG & Co. KG • Member of the advisory board of Wegmann Unternehmens-Holding GmbH & Co. KG • Member of the supervisory board of Hensoldt AG • Non-executive member of the board of directors of KNDS N.V. (Netherlands) • Member of the supervisory board and chair of the audit committee of SAF-Holland SE (until May 20, 2025) • Member of the supervisory board of SAF-Holland GmbH (until May 20, 2025)
Prof. Dr.-Ing. Gisela Lanza	Member	• Holder of the Professorship for Production System and Quality Management at the Karlsruhe Institute of Technology (KIT) • Director of the Global Advanced Manufacturing Institute (GAMI) in Suzhou, China • Member of the advisory board of Balluff GmbH • Member of the supervisory board of König & Bauer AG • Member of the supervisory board of Hager SE • Member of the supervisory board of Alfred Kärcher SE & Co. KG
Dr. Thomas Schulze	Member	• Chairman of the Dr. Jürgen and Irmgard Ulderup Foundation • Sole shareholder of Vario Baustoffsysteme GmbH • Member of the shareholders' meeting and committee of the Private University of Economics and Technology Diepholz
Axel Strotbek	Member	• Chairperson of the board of directors of Codasip GmbH • Member of the advisory board of FEV Group GmbH

Dr. Feiyu Xu	Member	• Managing Director and CEO of Amber Iris AI Consulting GmbH • Member of Board of Directors of Airbus SE • Member of Board of Directors of ChainIQ Group AG • Member of Board of Directors of Zühlke AG • Member of Advisory Board of Global Neighbours (think tank) • Chairwoman of the Board of AsiaBerlin Forum e.V.
Barbara Resch*	Deputy Chairman	• Member of the supervisory board of Rheinmetall AG • Member of the Supervisory Board of Mercedes Benz Group AG • Member of the Supervisory Board of Mercedes Benz AG • Member of the Supervisory Board of Daimler Truck AG • Member of the Supervisory Board of Daimler Truck Holding AG
Achim Dietrich*	Member	• Chairman of the Group Works Council of ZF
Peter Kippes*	Member	• Head of Functional Area Business Policy, IG Metall (*IG Metall Vorstand Funktionsbereichsleiter Betriebspolitik*)
Mario Kläs*	Member	• Assessor IG Metall Saarbrücken (*Beisitzer Ortsvorstand*) • Voluntary judge at the Labor Court Saarbrücken
Oliver Moll*	Member	• Chairman of the Works Council of ZF, Schweinfurt location • Chairman of the European Works Council of ZF
Jürgen Sammer*	Member	None
Jens Schäfer	Member	• Vice Chairman and Member of the Supervisory board of WABCO-Holding GmbH
Hermann Sicklinger*	Member	• Member of the Works Council of ZF, Passau location
Helene Sommer*	Member	• First Representative of IG Metall, Friedrichshafen-Oberschwaben • Member of the supervisory board of Rolls Royce solutions GmbH • Member of the supervisory board of Rolls-Royce-Powersystems AG
Erdal Tahta*	Member	• Chairman of the Works Council of ZF Koblenz • Member of the General Works Council Germany • Member of the Board Union IG Metall Koblenz • Voluntary judge at the Labor Court Koblenz • Deputy Chairman of the European Works Council ZF • Member of the Supervisory Board ZF Active Safety GmbH, Koblenz

(*) Employee Representative

Dr. Rolf Breidenbach was appointed as Chairman of the Supervisory Board on March 19, 2025. He succeeds Dr. Heinrich Hiesinger who decided to leave the Supervisory Board as of March 19, 2025. Ingrid Jägering was appointed as a member of the Supervisory Board on March 20, 2025.

The members of the Supervisory Board may be contacted at the business address of ZF AG: Löwentaler Straße 20, 88046 Friedrichshafen, Germany.

3.1.3.3 Conflicts of Interest of the Members of the Corporate Bodies

As of the date of this Prospectus, there are no potential conflicts of interests between any duties to the Company of the above mentioned members of the Board of Management or the Supervisory Board and their private interests and/or other duties.

3.1.4 Fiscal year

The fiscal year of ZF AG corresponds to the calendar year.

3.1.5 Independent Auditors

The independent auditor of ZF AG is EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart, Germany (***EY Germany***), a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*), Berlin, Germany.

EY Germany has audited the consolidated financial statements of ZF AG as of and for the fiscal year ended December 31, 2023, prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the additional requirements of German commercial law pursuant to Section 315e paragraph 1 of the German Commercial Code (*Handelsgesetzbuch*), and the consolidated financial statements of ZF AG as of and for the fiscal year ended December 31, 2024, prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (together with International Financial Reporting Standards as adopted by the European Union (***IFRSs***)) and the additional requirements of German commercial law pursuant to Section 315e paragraph 1 of the German Commercial Code (*Handelsgesetzbuch*), and issued unqualified independent auditor's reports (*Bestätigungsvermerke des unabhängigen Abschlussprüfers*) thereon. EY Germany conducted its audits of the German language versions of these consolidated financial statements in accordance with Section 317 of the German Commercial Code (*Handelsgesetzbuch*) and the German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V., IDW*).

3.1.6 Share Capital

As of December 31, 2024, ZF AG had a registered share capital of EUR 500,000,000.00, divided into 500,000,000 no-par value registered shares, each of which represents one vote in the general shareholders' meeting of ZF AG. All shares have been fully paid up.

3.1.7 Major Shareholders

As of the date of this Prospectus, the Zeppelin Foundation, a foundation without legal capacity, Friedrichshafen, Germany (the ***Zeppelin Foundation***), holds 93.8% of our shares. The Zeppelin Foundation is a dependent foundation (*unselbständige Stiftung*) without legal capacity (*nicht rechtsfähig*). It is managed by the City of Friedrichshafen and dedicated mainly to promoting science and research, the arts and culture, and the welfare of children and young people. The financial resources of Zeppelin Foundation may only be used to fund non-profit charitable or social projects.

Our other shareholder is the Dr. Jürgen and Irmgard Ulderup Foundation, Lemförde, Germany, which holds 6.2% of our shares.

3.1.8 Historical Financial Information

The English language translations of the German language audited consolidated financial statements of ZF AG as of and for the fiscal years ended December 31, 2024 and December 31, 2023, which were prepared in accordance with IFRSs applicable at the relevant reporting date and the additional requirements of German commercial law pursuant to Section 315e paragraph 1 of the German Commercial Code (*Handelsgesetzbuch*), and the independent auditor's reports (*Bestätigungsvermerke des unabhängigen Abschlussprüfers*) thereon are incorporated by reference into this Prospectus.

References to "2024" and "2023" (unless otherwise specified) refer to the fiscal years ended December 31, 2024 and 2023, respectively.

Unless otherwise indicated, financial information relating to the ZF Group presented in the text and tables in the Prospectus is shown in million Euro, commercially rounded to a whole number. Certain numerical data, financial information and market data (including ratios and percentages) in this Prospectus are subject to rounding adjustments that were carried out according to customary commercial standards. As a result, the aggregate amounts or percentages herein may not in all cases add up exactly to the respective totals or subtotals or may not correspond in all cases to the data contained in the underlying sources.

3.1.9 Selected Financial Information

The selected financial information below should be regarded only as an introduction and any investment decision should be based on a review of the entire Prospectus.

The following tables set out selected financial information relating to the ZF Group. The financial information has been extracted or derived from ZF AG's audited consolidated financial statements as of and for the fiscal years ended December 31, 2024 and December 31, 2023 as well as from ZF AG's accounting records or internal management reporting system.

Where financial information in the tables below is labeled "audited", this means that it has been extracted from our audited consolidated financial statements mentioned above. The label "unaudited" is used in the tables below to indicate financial information that has not been extracted from our audited consolidated financial statements mentioned above but rather was extracted or derived from our accounting records or internal management reporting systems, or has been calculated on the basis of financial information from the previously mentioned sources. A dash ("–") means that the relevant figure is not available, while a zero ("0") means that the relevant figure has been rounded to or equals zero.

Selected Consolidated Statement of Profit or Loss Information

	Jan. 1 – Dec. 31,	
	2024	**2023**
	(audited)	
	(in EUR million)	
Sales	41,377	46,627
Cost of sales	34,848	39,115
Gross profit on sales	**6,529**	**7,512**
EBIT	**209**	**1,505**
Financial income	968	1,201
Financial expenses	1,774	1,943
Net profit or loss before tax	**(597)**	**763**
Net profit or loss after tax	**(1,020)**	**126**
- thereof shareholders of ZF Friedrichshafen AG	(1,153)	(31)
- thereof non-controlling interests	133	157

Selected Consolidated Statement of Financial Position Information

	December 31,	
	2024	**2023**
	(audited)	
	(in EUR million)	
Current assets	**16,610**	**16,601**
Cash and cash equivalents	3,372	3,637
Trade receivables	4,768	5,817
Inventories	5,532	5,566
Non-current assets	**22,700**	**22,569**
Financial assets	707	579
Intangible assets	10,884	11,536
Property, plant and equipment	9,216	8,868
Total assets	**39,310**	**39,170**
Current liabilities	**13,936**	**14,205**
Trade payables	5,596	6,628
Non-current liabilities	**17,842**	**17,246**
Financial liabilities	11,846	11,242
Provisions for pensions	3,509	3,857
Equity	**7,532**	**7,719**
Retained earnings	6,035	6,280
Total liabilities and equity	**39,310**	**39,170**

Selected Consolidated Statement of Cash Flows Information

	Jan. 1 – Dec. 31,	
	2024	**2023**
	(audited)	
	(in EUR million)	
Cash flow from operating activities	1,721	3,253
Cash flow from investing activities	(2,678)	(1,853)
Cash flow from financing activities	675	(207)
Net change in cash position	(282)	1,193
Effects of exchange rate changes on cash position	26	(86)
Effects of changes in the basis of consolidation on cash	(9)	-
Cash position as of the closing date	**3,372**	**3,637**

Selected Geographic and Operational Information

	Jan. 1 – Dec. 31,	
	2024	**2023**
	(audited, unless otherwise indicated)	
	(in EUR million)	
Sales	**41,377**	**46,627**
By geographic market:		
EMEA[1]	19,359	20,857
North America	11,179	13,122
South America	1,382	1,386
Asia-Pacific	9,457	11,262
	(unaudited)	
By division:		
Chassis Solutions[2]	12,000	15,049[3]
Electrified Powertrain Technology	10,007	11,449
Electronics and Advanced Driver Assistance Systems (*ADAS*)	2,819	2,699
ZF Lifetec	4,790	4,713
Commercial Vehicle Solutions	7,703	8,678
Industrial Technology	3,280	3,539
Aftermarket	3,618	3,345
Corporate functions	105	111
Consolidation (elimination of internal sales)	(2,945)	(2,956)[4]

(1) EMEA refers to the region of Europe, Middle East and Africa.

(2) Since January 1, 2024, the former Active Safety Systems division and the former Car Chassis Technology division have been combined into the new Chassis Solutions division. We merged the two divisions to respond to increased customer demand for shorter development times and the increased importance of software as an independent product or individualized service.

(3) For comparison purposes, represents the adjusted sales for the fiscal year ended December 31, 2023 for the new Chassis Solutions division established on January 1, 2024.

(4) For comparison purposes, represents the adjusted consolidation (elimination of internal sales) for the fiscal year ended December 31, 2023 resulting from the establishment of the new Chassis Solutions division on January 1, 2024.

Selected Other Consolidated Financial Information

	Jan. 1 – Dec. 31,	
	2024	**2023**
	(unaudited, unless otherwise indicated)	
	(in EUR million, unless otherwise indicated)	
Sales[1]	41,377	46,627
Adjusted EBIT[2], [3]	1,504	2,367
Adjusted EBIT margin[2], [4]	3.6%	5.1%
Adjusted EBITDA[2], [5]	3,259	4,076
Free cash flow[2], [6]	(957)	1,400
Adjusted free cash flow[2], [6]	305	1,382
Expenditures for investments in property, plant and equipment[1]	2,028	2,061

	December 31,	
	2024	**2023**
	(unaudited)	
	(in EUR million)	
Gross debt[2], [7]	15,065	13,683
Net debt[2], [7]	10,467	9,982

[1] Audited.

[2] Non-IFRSs financial measure. The Group presents non-IFRSs financial measures because some investors may find it helpful. Non-IFRSs financial measures are not defined by IFRSs. The definitions of non-IFRSs financial measures may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group's operating results as reported under IFRSs. Non-IFRSs financial measures and ratios should not be considered as alternatives to EBIT, net profit or loss after tax, cash flow from operating activities or any other performance or liquidity measures derived in accordance with IFRSs.

[3] The Group defines adjusted EBIT as EBIT plus/minus net effects from purchase price allocations from company acquisitions (including depreciation, amortization and impairments), net effects from M&A activities, restructuring costs and other special items that are considered exceptional or non-recurring in nature. The Group discloses this non-IFRSs financial measure because the Group believes that investors may find it helpful in order to compare the Group's operational profitability between periods. The table below shows the reconciliation of EBIT to adjusted EBIT:

	Jan. 1 – Dec. 31,	
	2024	**2023**
	(unaudited, unless otherwise indicated)	
	(in EUR million)	
EBIT[a]	**209**	**1,505**
+/- Net effects from purchase price allocations from company acquisitions (including depreciation, amortization and impairments)[b]	663	634
+/- Net effects from M&A activities[c]	(201)	90
+/- Restructuring costs (including depreciation and impairments)[d]	626	90
+/- Other special items[e]	207	48
Adjusted EBIT	**1,504**	**2,367**

[a] Audited.

(b) The net effects from purchase price allocations from company acquisitions (including depreciation, amortization and impairments) mainly relate to the purchase price allocations from the acquisition of TRW and the WABCO Acquisition by the Group.

(c) The net effects from M&A activities relate (i) in the fiscal year ended December 31, 2024, mainly to transaction costs related to the carve-out project of ZF LIFETEC and the income from the transfer of our axle assembly business into a joint venture with our strategic partner Foxconn, and (ii) in the fiscal year ended December 31, 2023, mainly to transaction costs related to the sale of the Business Unit Electronic Interfaces and to the disposal of ZF Bouthéon SAS.

(d) The restructuring costs (including depreciation and impairments) in the fiscal years ended December 31, 2024 and December 31, 2023 relate mainly to the ongoing implementation of the long-term restructuring program initiated in 2020 to strengthen the Group's competitiveness by reducing costs and adapting structures in order to further advance the transformation process towards future technologies and the digitalization of processes as well as the structural alignment of the Group with the new market conditions.

(e) The other special items relate (i) in the fiscal year ended December 31, 2024, mainly to the impairment of the goodwill in the Electrified Powertrain Technology division and non-recurring consulting costs for additional performance measures, and (ii) in the fiscal year ended December 31, 2023, mainly to the impairment of capitalized development costs for a project re-assessed.

(4) Adjusted EBIT margin is defined as adjusted EBIT as a percentage of sales. The Group discloses this non-IFRSs financial measure because the Group believes that investors may find it helpful in order to compare the Group's operational profitability between periods. The table below shows the reconciliation for Adjusted EBIT margin.

	Jan. 1 – Dec. 31,	
	2024	**2023**
	(unaudited, unless otherwise indicated)	
	(in EUR million, unless otherwise indicated)	
Sales[a]	41,377	46,627
Adjusted EBIT	1,504	2,367
Adjusted EBIT margin (%)	**3.6**	**5.1**

(a) Audited.

(5) The Group defines adjusted EBITDA as adjusted EBIT, plus depreciation, amortization and impairments (excluding depreciation, amortization and impairments from purchase price allocations and restructuring costs). The table below shows the reconciliation of adjusted EBIT to adjusted EBITDA:

	Jan. 1 – Dec. 31,	
	2024	**2023**
	(unaudited, unless otherwise indicated)	
	(in EUR million)	
Adjusted EBIT	**1,504**	**2,367**
+/- Depreciation, amortization and impairments[a]	2,544	2,354
+/- thereof related to purchase price allocations from company acquisitions	(629)	(637)
+/- thereof impairment goodwill	(122)	-
+/- thereof related to restructuring costs	(38)	(8)
Adjusted EBITDA	**3,259**	**4,076**

(a) Audited.

(6) The Group defines free cash flow as cash flow from operating activities plus cash flow from investing activities. The Group defines adjusted free cash flow as free cash flow plus/minus adjustments for M&A activities and

investments in/proceeds from securities and with effect from January 1, 2024 investments in/proceeds from bank deposits with agreed notice of more than three months. The Group discloses free cash flow and adjusted free cash flow because the Group believes that investors may find these non-IFRSs financial measures helpful for evaluating and comparing the Group's financial performance between periods. The table below shows the reconciliation for free cash flow and adjusted free cash flow:

	Jan. 1 – Dec. 31,	
	2024	**2023**
	(unaudited, unless otherwise indicated)	
	(in EUR million)	
Cash flow from operating activities[(a)]	1,721	3,253
+/- Cash flow from investing activities[(a)]	(2,678)	(1,853)
Free cash flow	**(957)**	**1,400**
+/- Adjustments for M&A activities[(b)]	134	(35)
+/- Investments in/proceeds from securities[(c)]	(22)	17
+/- Investments in/proceeds from bank deposits with agreed notice of more than three months[(d)]	1,150	-
Adjusted free cash flow	**305**	**1,382**

(a) Audited.

(b) The adjustments for M&A activities relate (i) in the fiscal year ended December 31, 2024, mainly to the cash inflow from the transfer of our axle assembly business into a joint venture and the cash outflow in connection with the already implemented and planned M&A and carve-out projects including related taxes, and (ii) in the fiscal year ended December 31, 2023, mainly to the cash inflow from the sale of an at-equity accounted participation and the disposal of a 60.0% share in Ing. Tsetinis Beratungs GmbH and M&A expenses for current and envisaged divestments.

(c) The investments in/proceeds from securities reflect (i) in the fiscal year ended December 31, 2024, mainly the cash inflow from the redemption of marketable securities, and (ii) in the fiscal year ended December 31, 2023 mainly the cash outflow from the investment in marketable securities.

(d) The investments in/proceeds from bank deposits with agreed notice of more than three months in the fiscal year ended December 31, 2024 mainly relate to a deposit of parts of the proceeds from the USD Bonds issued by ZF North America in April 2024.

(7) The Group defines gross debt as current financial liabilities plus non-current financial liabilities minus total derivative financial instruments included in financial liabilities. The Group defines net debt as gross debt minus cash, cash equivalents as well as marketable securities included in non-current and current financial assets and with effect as of June 30, 2024 bank deposits with agreed notice of more than three months. The Group discloses these non-IFRSs financial measures because the Group believes that investors may find them helpful for evaluating the Group's indebtedness. The table below shows the reconciliation for gross debt and net debt:

	Dec. 31,	
	2024	**2023**
	(unaudited, unless otherwise indicated)	
	(in EUR million)	
Current financial liabilities[(a)]	3,320	2,553
+ Non-current financial liabilities[(a)]	11,846	11,242
- Derivative financial instruments[(a)]	(101)	(112)
Gross debt	**15,065**	**13,683**
- Cash and cash equivalents[(a)]	(3,372)	(3,637)
- Bank deposits with agreed notice of more than three months[(b)]	(1,184)	-
- Marketable securities	(42)	(64)
Net debt	**10,467**	**9,982**

(a) Audited.

(b) As of December 31, 2024, bank deposits with agreed notice of more than three months mainly reflect a deposit of parts of the proceeds from the USD Bonds issued by ZF North America in April 2024.

3.1.10 Trend Information and Significant Changes

There has been no material adverse change in the prospects of ZF AG since December 31, 2024.

There has been no significant change in the financial position or in the financial performance of the ZF Group since December 31, 2024.

3.1.11 Legal and Arbitration Proceedings

Please refer to "*4.9 Legal and Arbitration Proceedings*".

3.1.12 Material Contracts

Please refer to "*4.10 Material Contracts*".

3.1.13 Rating

S&P has assigned a solicited long-term credit rating of "BB-"[2] (outlook: stable) to ZF AG.

Moody's has assigned a solicited long-term credit rating of "Ba2"[3] (outlook: stable) to ZF AG.

S&P and Moody's are established in the European Union and registered under the CRA Regulation.

In April 2020, S&P lowered its long-term ratings to ZF AG to "BB+" and assigned a negative outlook. This downgrade happened due to the COVID-19 pandemic and its caused forecasted decline in global auto demand resulting in intense pressure on auto suppliers in 2020. The outlook was revised to stable in 2022 and reflects ZF's commitment to reduce its leverage in the next 12 months despite rising input costs and supply chain disruptions. On August 20, 2024, S&P assigned a negative outlook again. This is mainly due to slower cash flow improvements based on lower production of light vehicles and commercial vehicles as well as greater costs for product launches and research and development activities. On April 22, 2025, S&P revised our long-term issuer credit rating and the issue rating on our unsecured debt to BB- and assigned a stable outlook. In April 2020, Moody's lowered ZF's long-term corporate credit rating to "Ba1" with review for further downgrade. On September 14, 2022, Moody's has confirmed the Ba1 rating and changed the outlook to stable from negative. Moody's downgraded ZF AG's rating on December 20, 2024 to "Ba2" with a stable outlook reflecting the ongoing cyclical and structural pressure on volumes and margins in ZF AG's key automotive markets.

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 Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

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[2] According to the definition published by S&P Global Ratings Europe Limited on its homepage BB means "Obligations rated 'BB', 'B', 'CCC', 'CC', and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories."

[3] According to the definition published by Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their affiliates and licensors on its homepage: "Obligations rated Ba are judged to be speculative and are subject to substantial credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category."

3.2 ZF EUROPE FINANCE B.V.

3.2.1 General Information

The legal and commercial name of the company is ZF Europe Finance B.V.

ZF Europe Finance B.V. was incorporated on September 12, 2018 and operates as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid (B.V.)*) under the laws of the Netherlands. ZF Europe Finance B.V.'s registered office and place of business is Nieuwe Herengracht 51, 1011 RN Amsterdam, the Netherlands. Its telephone number is: +31 20 399 8622. ZF Europe Finance B.V. has been incorporated for an indefinite period of time.

ZF Europe Finance B.V. is registered with the commercial register of the Dutch Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) under file number 72569263.

The Legal Entity Identifier (LEI) of ZF Europe Finance B.V. is 549300RI533US2G6G542.

3.2.2 Principal Activities

The principal activity of ZF Europe Finance B.V. is to act as finance company within the ZF Group, including the provision of loans to ZF AG and to companies of the ZF Group financed with funds acquired from the capital markets.

3.2.3 Organizational Structure and Major Shareholder

ZF Europe Finance B.V. is a wholly owned subsidiary of ZF AG, and belongs to the ZF Group. For more information on the organizational structure of ZF Group, see "*3.1.2 Organizational Structure*".

ZF Europe Finance B.V. does not have any subsidiaries of its own and is dependent upon administrative and management services provided by ZF AG and certain subsidiaries of ZF AG.

3.2.4 Administrative, Management and Supervisory Bodies

ZF Europe Finance B.V. has a one-tier board structure. Pursuant to its articles of association, the management board of ZF Europe Finance B.V. must have at least one executive director A and one non-executive director B. As of the date of this Prospectus, the management board of ZF Europe Finance B.V. consists of the following directors:

- Matthias Messerschmidt (executive director A);
- Alex Bergman (executive director A);
- Valentin Meinster (executive director A); and
- Roman Lang (non-executive director B).

Their respective responsibilities and their principal activities outside the ZF Group to the extent those activities are significant with respect to the ZF Group are set out below:

Name	Member since	Responsibilities within ZF Group	Membership on other administrative, management or supervisory bodies
Matthias Messerschmidt	2021	Head of Digital Treasury Transformation ZF Group Director or supervisory board member of different ZF Group entities	None

Name	Member since	Responsibilities within ZF Group	Membership on other administrative, management or supervisory bodies
Alex Bergman	2023	Managing Director, HR Country Manager Board member of different ZF Group entities	None
Valentin Meinster	2023	Managing Director, Legal Counsel Board member of different ZF Group entities	None
Roman Lang	2021	Vice President Tax Director of different ZF Group entities	None

The executive directors A of the management board of ZF Europe Finance B.V. are responsible for the day-to-day affairs and the financial affairs of ZF Europe Finance B.V. The non-executive director B of the management board of ZF Europe Finance B.V. supervises the policy of and the performance of duties by the executive directors A and the general affairs of ZF Europe Finance B.V. and its business.

The current members of the management board of directors of ZF Europe Finance B.V. can be contacted at the address of the registered office of ZF Europe Finance B.V. ZF Europe Finance B.V. has no separate supervisory board.

None of the members of the board of directors of ZF Europe Finance B.V. has declared that there are actual or potential conflicts of interest between any of their duties to ZF Europe Finance B.V. and their private interests and/or other duties.

3.2.5 Fiscal year

ZF Europe Finance B.V.'s fiscal year corresponds to the calendar year.

3.2.6 Historical Financial Information and Independent Auditors

Ernst & Young Accountants LLP has audited the financial statements of ZF Europe Finance B.V. as of and for the fiscal year ended December 31, 2023 who has issued an unqualified independent auditor's report thereon. Ernst & Young Accountants LLP was succeeded by EY Accountants B.V. as independent auditor of ZF Europe Finance B.V. as from 29 June 2024. The financial statements of ZF Europe Finance B.V. as of and for the fiscal year ended December 31, 2024 have been audited by EY Accountants B.V. who has issued an unqualified independent auditor's report thereon. The audited financial statements of ZF Europe Finance B.V. for the fiscal years ended December 31, 2024 and December 31, 2023 were prepared in accordance with IFRSs and Part 9 of Book 2 of the Dutch Civil Code.

EY Accountants B.V. is an independent registered audit firm, whose principal place of business is at Boompjes 258, 3011 XZ Rotterdam, The Netherlands (***EY Netherlands***). The auditor signing the independent auditor's report on behalf of EY Accountants B.V. is a member of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*). EY Netherlands is registered with the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*).

The financial statements of ZF Europe Finance B.V. for the fiscal year ended December 31, 2024 and for the fiscal year ended December 31, 2023 and the independent auditors' reports thereon are incorporated by reference into this Prospectus.

3.2.7 Selected Financial Information

The following table sets out selected financial information relating to ZF Europe Finance B.V. The financial information has been extracted from the audited financial statements of ZF Europe Finance B.V. as of and for the fiscal years ended December 31, 2024 and December 31, 2023 prepared in accordance with IFRSs and Part 9 of Book 2 of the Dutch Civil Code:

	Dec. 31, 2024	**Dec. 31, 2023**
	(audited)	(audited)
	(in EUR)	(in EUR)
Non-current assets	3,624,655,655	2,822,334,517
Current assets	98,995,627	43,143,700
Total assets	3,723,651,282	2,865,478,217
Subscribed capital	100,000	100,000
Current liabilities	89,383,122	34,591,530
Non-Current liabilities	3,628,283,907	2,825,159,677
Cash flow from operating activities	602,620	(1,597,239)

3.2.8 Trend Information and Significant Changes

There has been no material adverse change in the prospects of ZF Europe Finance B.V. since December 31, 2024.

There has been no significant change in the financial position or in the financial performance of ZF Europe Finance B.V. since December 31, 2024.

Regarding any significant change in the financial performance or the financial position of the ZF Group see "*3.1.10 Trend Information and Significant Changes*".

3.2.9 Recent Events

There have been no relevant recent events particular to ZF Europe Finance B.V. which are to a material extent relevant to the evaluation of ZF Europe Finance B.V.'s solvency.

3.2.10 Legal and Arbitration Proceedings

Please refer to "*4.9 Legal and Arbitration Proceedings*".

3.2.11 Material Contracts

Please refer to "*4.10 Material Contracts*".

3.2.12 Rating

ZF Europe Finance B.V. has not been assigned any credit rating with its cooperation or at its request.

4. BUSINESS OF THE ZF GROUP

4.1 BUSINESS OVERVIEW

Founded in 1915 to produce gears and transmissions for aircraft, motor vehicles, and motorboats, we are today a global leader in the design, manufacturing and sale of driveline and chassis technology as well as active and passive safety technology for the automotive industry and certain industrial sectors. We have 161 production locations in 30 countries, maintain 20 main development locations in ten countries, and are headquartered in Friedrichshafen, Germany.

We are primarily active in the automotive industry, in particular in the areas of transmission systems, active and passive safety systems, units and components, as well as chassis systems and components for passenger car and commercial vehicle manufacturers. However, our activities also cover other market segments such as construction and agricultural machinery, wind power, marine propulsion, rail drives, special drives and test systems.

Our strong presence in the world's largest automotive markets is complemented by a significant footprint in key emerging markets as we are continually expanding our global market presence. In recent years, particularly our operations outside of Western Europe have become increasingly important with not only the established markets in China, North and South America, and Japan, but also the newer growth markets in the Asia-Pacific region (besides China) and Eastern Europe playing a major role. We are expanding our global presence by adapting our products to specific customers and market requirements while considering the most cost effective location for production and procurement. We support the international expansion of our existing customers while also servicing new customers in the markets which we enter. In 2024, we generated 53.2% (2023: 55.3%) of our sales outside our markets in EMEA, in particular in North America (27.0%; 2023: 28.1%) and South America (3.3%; 2023: 3.0%) as well as the Asia-Pacific region (22.9%; 2023: 24.2%), with China as the core market and India as the growth market.

In addition to our primary product offering, we offer a wide range of services that are mainly marketed by our Aftermarket organization. Our global service network of more than 20,000 workshop partners offers our customers an extensive range of services globally. These services primarily involve the spare-parts business for driveline and chassis technology as well as maintenance and repair services.

In 2024, we reported sales of EUR 41,377 million (2023: EUR 46,627 million) and an EBIT of EUR 209 million (2023: EUR 1,505 million). As of December 31, 2024, we had 161,631 employees (as of December 31, 2023: 168,738 employees).

In 2024, by far the largest part of our sales were in the business sector "Cars and light commercial vehicles below six tons", followed by sales in the business sector "Commercial vehicles over six tons" and the business sector "Construction and agricultural machinery, marine craft, aircraft and wind power".

4.2 OUR STRATEGY

Our strategic approach "Strengthening our Strengths – Unlocking our Potential" forms the basis for further developing ZF Group into a high-performing and sustainable group with a portfolio focused on profitable growth. We want to emerge stronger from the transformation of our industry and the economy as a whole, worldwide. We are consistently implementing three steps to achieve this: improving competitiveness and profitability, optimizing the portfolio, and adjusting the corporate structure and culture.

Improving Competitiveness and Profitability

We need to increase our resilience to external influences in order to be able to successfully master the transformation. To achieve this, we plan to further reduce our debt and to improve our operational performance. The goal is to increase our structural profitability and cash flow while securing investments for the future. We have initiated corresponding measures.

Already in 2023, we launched the performance programs for our passenger car and commercial vehicle business as well as for our German locations to make them more competitive. Especially in our domestic market, we identify significant potential for improvement due to the low profitability of individual plants. The acquisitions of TRW and WABCO have led to a gradually increased structure at the German locations and to considerable inefficiencies. Therefore, we will change the production and development location in Germany in order to make them more competitive in the medium to long term. They will be consolidated and transferred to a future-oriented and

streamlined network of locations. This new structure allows the German locations to be more agile and effective, and enables them to respond more quickly to changing customer requirements and market conditions.

Strategic Partnerships and Optimization of our Portfolio

Another important measure to strengthen our financial base is the spin-off and sale of parts of the Group where we are not among the strongest players in the market or where we identify only few synergies with other areas of our business. When parts of our Group become independent, the respective business units are expected to be more flexible in terms of growth opportunities and targeted investments.

In certain areas of electromobility for passenger cars and in components for automated driving, we hold leading positions. To strengthen and further expand these, we need to respond even faster and more flexibly to market conditions and trends. In 2024, we successfully established our Passive Safety Systems division as an independent entity under the name ZF LIFETEC and launched the ZF Foxconn Chassis Modules GmbH as a joint venture with Foxconn, the world's largest electronics manufacturer, for our axle assembly business. ZF LIFETEC introduced a multitude of innovations in airbag, seat belt and steering wheel systems. With its mission "We save lives," ZF LIFETEC aims to make daily mobility even safer and more sustainable. Combining a technology-driven approach with leading innovations, the number 2 in passive safety technology continues to strengthen its competitive position and aims to grow faster than the market. The increased entrepreneurial flexibility as an independent entity allows for more targeted responses to customer needs. The joint venture with Foxconn expands ZF Group's global footprint, particularly in Asia. It also promotes access to advanced manufacturing technologies and enables the development of innovative chassis solutions for electric vehicles. At the same time, we believe it strengthens our market position by opening up new customer segments. Despite the current downturn in the automotive market, the joint venture benefits from growth driven by high order numbers from top manufacturers and the ongoing outsourcing trend. We consider that both newly established companies have developed very well in their first fiscal year.

Furthermore, in January 2024, we merged the ZF Car Chassis Technology and Active Safety Systems divisions, creating the new Chassis Solutions division. Since then, the new division has become a global leader in the chassis sector. It offers a portfolio that we believe is unique in the industry, including hardware and software solutions for all dimensions of driving dynamics (longitudinal, lateral and vertical dynamics). We believe that the merger already achieved notable success within the first year: For example, the innovative active damping technology sMOTION, which improves vehicle comfort and dynamics, was first introduced in series production in premium models of a renowned German sports car manufacturer. As one of the technology leaders, ZF Group also has the industry's largest portfolio of by-wire technologies that operate without direct mechanical connections or system fluids. According to our assessment, there is a high level of customer interest in these technologies. Our steer-by-wire system is already featured in a vehicle from a North American manufacturer and will go into series production in 2025 with the new premium model ET9 from our Chinese customer NIO. The ET9 is the first model with steer-by-wire technology to receive approval for mass production in China.

To further develop and promote middleware stacks, we have established the independent software company Qorix GmbH (***Qorix***) and transferred our business relating to our development cooperation with KPIT Technologies Ltd. into Qorix. KPIT Technologies Ltd. and ZF each hold an equal share in Quorix. Qorix's open and scalable middleware platforms offer vehicle manufacturers the ability to more easily manage the constantly increasing software complexity while maintaining full control over the software architecture. Qualcomm, one of the world's leading semiconductor manufacturers, joined as a technology partner to further develop our industry-unique middleware stacks.

Strategic partnerships are built to provide us with crucial competitive advantages in the mobility transformation. This is also demonstrated by our cooperation with Infineon Technologies AG as part of the "EEmotion" project, which was funded by the German Federal Ministry for Economic Affais and Climate Action (*Bundesministerium für Wirtschaft und Klimaschutz*). We have enhanced our existing software solutions cubiX and Eco Control 4 ACC by AI algorithms and implemented them on Infineon's Aurix TC4x microcontroller with integrated parallel processing unit. These measures result in algorithms based on artificial intelligence being more efficient than traditional, rule-based algorithms, which rely on predefined, human-defined rules and logic rather than self-learning and adaptive mechanisms. The algorithms optimize software and control units for driving dynamics systems.

If we cannot identify and expect prospects for earnings, sustainable growth, and successful partnerships, we act consistently and exit from technologies or sell participations. For example, last year we ended the development of an autonomous shuttle vehicle.

Focus on Profitable Technology Fields and Market Segments

For us, strengthening strengths means to have the right set up for continuous growth in those market segments where we have a strong market position and see further potential. We are therefore focusing our resources and spending on the core business areas where we are globally already among the top three players. In 2024, we once again made significant development and investment decisions in the areas of commercial vehicle technology, industrial technology, car chassis technology and the aftermarket business areas. With innovative, sustainable product and technology solutions, we were able to unlock additional growth potential. As a result, it is expected that these segments of the ZF Group will grow faster than the respective markets.

We are a leading supplier in the commercial vehicle segment. Our key to success is that we have the broadest product and technology portfolio in the market, paired with the ability not only to deliver products, but also to integrate them into the system landscapes and our customers' vehicle environment. In industrial technology for the commercial vehicle segment, we rank among the top three suppliers in key segments, such as construction and agricultural machinery, special vehicles and marine applications. Our aftermarket division is the global number two in the spare parts and service business for passenger cars, trucks, buses, and coaches as well as construction and agricultural machinery. In the spare parts market for commercial vehicles, we are globally leading. With proactive maintenance solutions, extended diagnostic functions and continuous support, we want to minimize downtime for our customers and increase productivity. With “ZF [pro] Diagnostics”, for example, we offer a new, comprehensive diagnostic solution for passenger cars and commercial vehicles of all fuel types in Europe. Workshops, tire service centers and fleets can identify problems quickly and precisely. With the introduction of our new ZF REMAN label, we are enhancing the visibility of remanufactured products. It reflects the increasing significance of sustainability for customers in the automotive aftermarket.

In addition to the commercial vehicle segment for spare parts, we are also the number 1 in car chassis components and a leader with by-wire technologies. The passenger car business will remain an important segment for us in the future, with good development opportunities and is considered to be an innovation driver for technology transfer to other segments. However, we assume that the share of passenger cars in our total sales, currently around 75 percent, will decrease in the next decade.

Integration of Hardware and Software Worlds

In addition to our innovative capabilities, we have extensive and decades-long hardware expertise considered to be a decisive competitive advantage in future technologies such as vehicle motion control and by-wire systems. We conceive and develop hardware and software together. This distinguishes us from new competitors who typically enter the automotive market coming from the software side. In the future, we intend to focus even more on integrated solutions for hardware- and software-base vehicle systems.

Our Technology Focus in the Upcoming Years

Our focus is to remain a leading research and technology company by maintaining a strong focus on innovations within the broader mobility context in those business areas where we have a strong market position. Over the next few years, we will focus particularly on:

- Chassis technologies for all vehicle segments – such as electronic damping, brake-by-wire and steer-by-wire systems, which are prerequisites for the autonomous driving in the future
- The integration of brakes and electric drive systems
- Electric mobility for passenger cars and commercial vehicles – for example, new electric drives for buses and light commercial vehicles, as well as magnet-free motors
- Decarbonization and establishment of a functioning circular economy along the entire value chain
- Software and digitalization of our products
- Widespread use of AI to increase efficiency in research and development and to improve the cost and functionality of our products
- Digital and traditional service models as well as spare parts (Aftermarket)
- Expansion of technology transfer across different segments

Adaption of Corporate Structure and Culture

We want our business units to develop optimally and achieve a leading competitive position. Therefore, we are evaluating the development potential of each individual division to determine in which configuration they have the best future prospects. This also includes a change in the corporate culture. We need more agile divisions with

flatter hierarchies that can make decisions independently – allowing them to better meet the demands of their market segments and customers.

This also includes our strategic approach "local for local." In growth regions such as Asia-Pacific, India, and North America, we are further expanding our local production and development activities to respond quickly and efficiently to local market trends and customer requirements. We want to make the individual regions even more independent. The aim is to further increase their share of sales and achieve sustainable growth. Various projects have already started. China for example, is now a particularly strong and independent region with a total of around 20 locations and its own raw material suppliers.

Sustainability

We consider sustainability as an important element of its corporate culture and overall strategy. Therefore, we prepared our sustainability report for the fiscal year ended December 31, 2024 in accordance with the new European Sustainability Reporting Standards (ESRS) and Corporate Sustainability Reporting Directive (CSRD), even if the application of these standards is not yet mandatory for us. With our Sustainability Report, we provide transparent information on our ESG progress.

Our sustainability strategy "Acting now. Sustainability@ZF" takes into account the dimensions of environment, society and governance and is embedded in our corporate strategy. Around 60% of ZF Group's total value added is generated in the upstream value chain. Trusting and reliable collaboration with our suppliers is therefore important to us. In the field of the environment, the focus is on climate protection and the development of circular products and business models. With regard to the social impact, we want to offer our employees an inclusive work culture, valuing diversity and promoting continuous learning and personal development. The safety of all employees is just as important as that of our products. We work towards ensuring that human rights are observed in our own business area and along the entire value chain. In the field of governance, good and responsible corporate management for us means compliance with applicable laws and regulations and to create lasting values.

With our membership in the UN Global Compact (UNGC), we express our intention to promote the ten principles of the UNGC in our sphere of influence. We are committed to integrating these principles into our corporate strategy, culture and daily business. This commitment includes participating in collaborative projects that promote the general goals of the United Nations and, in particular, the achievement of the United Nations Sustainable Development Goals.

Recent examples of our sustainability efforts include the introduction of a system solution for the process of returning used parts for remanufacturing and a new brand for remanufactured products by the Aftermarket division. In 2024, we also opened the first zero-emission factory in Klášterec (Czech Republic) which operates entirely without fossil fuels. Furthermore, our Industrial Technology Division is one of the main suppliers of gearboxes in the global wind power industry, with a market share of around 25 percent. In this way, we are contributing directly to the transition of the energy sector to renewable power generation. Efficiency and sustainability are also the focus of our innovations for marine applications. With the new ZF 3000 NRD PTI hybrid transmission, we are extending our expertise for maritime drives to another field of application. We offer a space- and weight-saving solution for realizing hybrid propulsion in waterjet vessels, enabling low-noise and low-emission operation in ports and bays, for example.

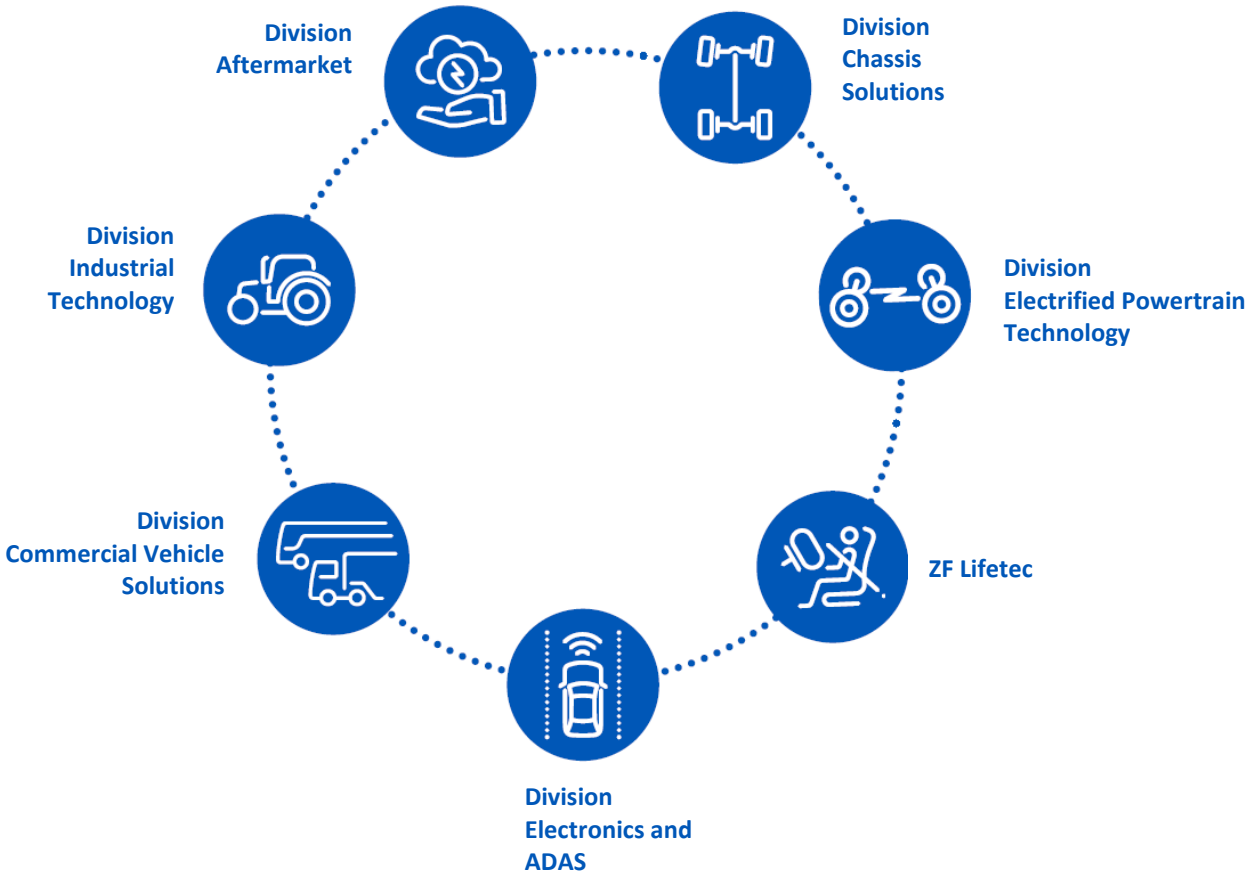
Success Criteria 2030+

We see transformation as an opportunity. Our goal is to create a company that will manage its portfolio from the 2030s onwards according to the three key criteria:

- Dividend and growth based on financial strength
- Global and technological leadership in profitable key markets
- Constant value creation based on sustainable and socially positive business development

4.3 OUR BUSINESS ACTIVITIES

Our operating activities are organized into seven divisions, Chassis Solutions, Electrified Powertrain Technology, Electronics and Advanced Driver Assistance Systems (*ADAS*), ZF LIFETEC (the former Passive Safety Systems Division), Commercial Vehicle Solutions, Industrial Technology and Aftermarket.



Divisions

4.3.1 Chassis Solutions

Since January 1, 2024, the former divisions of Active Safety Systems and Car Chassis Technology have been combined into our new Chassis Solutions division. We merged the two former divisions to respond to increased customer demand for shorter development times and the increased importance of software as an independent product or individualized service. Additionally, we believe that designing our chassis products in tandem with our vehicle motion control technologies will allow us to respond to the automotive industry's shift towards electrified drives, advanced driver assistant systems and automated driving.

The Chassis Solutions division is responsible for passenger car chassis products for vehicles of up to six tons. The division offers a portfolio of hardware and software solutions for vehicle motion control covering all three dimensions of driving dynamics from vertical, lateral to longitudinal. The products include conventional and semi-active dampers, active suspension solutions, steering and braking systems (including X-by-Wire solutions, *i.e.*, electronic control pulses and actuators moving the brakes, steering and other systems of the vehicle) and chassis components.

The Chassis Solutions division comprises the following product lines: System House Vehicle Motion Control, Brake Controls, Foundation Brakes, Steering, Suspension and Chassis Components.

In the fiscal year ended December 31, 2024, the Chassis Solutions division generated sales of EUR 12,000 million (2023: EUR 15,049 million, for comparison purposes, represents the adjusted sales for the fiscal year ended December 31, 2023 for the new Chassis Solutions division established on January 1, 2024 by combining the former Active Safety Systems division and the former Car Chassis Technology division).

4.3.2 Electrified Powertrain Technology

The Electrified Powertrain Technology division focuses on the transformation to an electrified powertrain technology. The Division pools our activities for passenger car driveline technology, in particular the development, production, and sale of transmissions and powertrain modules, and develops and produces hybrid modules, plug-

in hybrid transmissions as well as electric drives for vehicles complete with power electronics and system integration. In 2024, the market for plug-in hybrids in the United States and China increased.

As of December 31, 2024, we produced approximately three million electric motors from our production facilities in Asia and Europe and are currently working to expand the capacities of our existing production facilities and on installing new production facilities in Mexico and the United States.

The Electrified Powertrain Technology division comprises the following product lines: Electrified Powertrain Systems, Powertrain Modules & eMotors, Electronics and Axle Drives.

In the fiscal year ended December 31, 2024, the Electrified Powertrain Technology division generated sales of EUR 10,007 million (2023: EUR 11,449 million).

4.3.3 Electronics and ADAS

The Electronics & ADAS division is responsible for advanced driver assist systems (ADAS), sensor technologies, integrated electronics including advanced safety domain control units and safety electronics such as airbag electronic control units and crash sensors for the automotive industry. Electronics and ADAS has its headquarters in Farmington Hills, Michigan (United States).

The Electronics & ADAS division comprises the product lines Advanced Driver Assistance Systems (ADAS) and Electronics Operations, Intercompany Product line and the Passive Safety line. On June 30, 2023, we announced that the Electronics and ADAS division's new facility in Monterrey, Mexico started the production of advanced electronics and assisted driving components.

In the fiscal year ended December 31, 2024, the Electronics and ADAS division generated sales of EUR 2,819 million (2023: EUR 2,699 million).

4.3.4 ZF LIFETEC (i.e., the former Passive Safety Systems Division)

ZF LIFETEC, which until March 2024 was branded as "Passive Safety Division", is responsible for the development and production of occupant safety systems for the automotive industry. Products include airbags, airbag inflators, seat belt systems and steering wheels. The division includes our former Occupant Safety Systems business and has its headquarters in Alfdorf, Germany.

ZF LIFETEC comprises the business units Inflatable Restraint Systems, Seat Belt Systems and Steering Wheel Systems.

On October 26, 2022, we announced plans to transform ZF LIFETEC (formerly "Passive Safety Systems Division") into an independent business operation as part of a spin-off. We believe this transformation will help drive growth and sustainable expansion of this division's market position. Furthermore, we believe this will lead to more strategic options for future development. ZF LIFETEC will pursue a well-defined strategy to further increase our sales and profitability as a future standalone business driven by megatrends in the automotive industry such as increasingly stringent safety regulations. ZF LIFETEC is in our own estimates one of the leading passive safety equipment providers in terms of sales with a global presence of 51 locations across 22 countries and a market share of more than 20% of global sales in its core product categories (based on Company estimates for 2024).

In order to continue our expansion into the Asian market, we signed an agreement on July 21, 2023 with the Wuhan Economic Development Zone to start the installation of an automotive airbag production and R&D center in Hubei, China. With this investment, we intend to increase our market share primarily in China but also in Southeast Asia, Japan and Korea. As of February 2024, we had completed asset and headcount transfers to the airbag production facility and had completed installation of certain production lines. The R&D Center started operations in January 2024.

The ZF LIFETEC division comprises the following product lines: Inflatable Restraint Systems, Seat Belt Systems and Steering Wheel Systems.

In the fiscal year ended December 31, 2024, ZF LIFETEC (formerly "Passive Safety Systems Division") generated sales of EUR 4,790 million (2023: EUR 4,713 million).

4.3.5 Commercial Vehicle Solutions

The Commercial Vehicle Solutions division provides solutions for automated driving, decarbonization,

digitalization and services across the entire commercial vehicle's life cycle. With its comprehensive technology portfolio, the Division offers tailored solutions for original equipment manufacturer ("***OEM***") and fleets' transformation processes.

The division provides solutions within its product lines in the following areas and activities: Driveline Technology (transmissions, hybrids and electric driveline), Chassis Structure (air supply, suspension solutions and fuel cell components), Chassis Control (brake controls, ADAS, steering and wheel end solutions), Bus Solutions (axle systems, automatic transmissions, climate control and door systems) and Trailer solutions (brake control, wheel end, suspension and aerodynamics solutions and electrified trailer systems).

With a strong network of technology partnerships, the Commercial Vehicle Solution division leverages synergies with market-leading companies to offer customized, holistic and innovative solutions for its customers and driving forward the decarbonization of the commercial vehicle industry. The network includes a partnership with Foton to develop a hybrid transmission, a long-term agreement to supply European OEM Ford Trucks with ZF electric drives and a collaboration project with Liebherr to develop a fuel cell high speed compressor.

In the fiscal year ended December 31, 2024, the Commercial Vehicle Solutions divisions generated sales of EUR 7,703 million (2023: EUR 8,678 million).

4.3.6 Industrial Technology

The Industrial Technology division bundles in our activities for "Off-Road" applications, i.e., applications for vehicles used in special environments, e.g., in forestry and agriculture. It focuses on the development and production of transmissions and axles for construction and agricultural machinery as well as, wind power, rail drives, special drives, marine propulsion systems and test systems. The division's portfolio includes test systems for a large variety of applications in driveline and chassis technology. Our Industrial Technology division mainly services OEMs for agricultural and construction machinery as well as the wind power and marine industry.

The Industrial Technology division comprises the following product lines: Off-Highway & Test Systems, Wind Power Technology & Industrial Drives and Marine and Special Driveline Technology.

In the fiscal year ended December 31, 2024, the Industrial Technology division generated sales of EUR 3,280 million (2023: EUR 3,539 million).

4.3.7 Aftermarket

The Aftermarket division makes our OEM expertise available to the aftermarket, drawing on a global service network of more than 20,000 workshop partners. The services include service offers for fleets, exchange units, maintenance and remanufacturing. Intelligent connectivity solutions for digital mobility management over the entire life cycle of a vehicle complement this range of services. The term "aftermarket" refers to the market of spare parts that are used in the maintenance and repair of passenger cars and commercial vehicles.

Since 2017, the division combines the former ZF Services and TRW Aftermarket business units. The TRW name has been retained as a product brand and enhances the existing brand portfolio alongside ZF, Sachs, Lemförder, WABCO and Openmatics.

The Aftermarket division comprises the following product lines: Passenger Cars Aftermarket, Commercial Vehicles Aftermarket, Industrial Aftermarket and Digital Solutions.

In the fiscal year ended December 31, 2024, the Aftermarket division generated sales of EUR 3,618 million (2023: EUR 3,345 million).

4.4 RESEARCH AND DEVELOPMENT

In the fiscal year ended December 31, 2024, our R&D expenditure amounted to EUR 3,557 million (defined as R&D costs of EUR 2,958 million recognized in our consolidated statement of profit or loss, plus capitalized development costs recognized as inventories (which are customer-funded) and recognized as intangible assets (which are funded by us) of EUR 617 million less amortization of capitalized development costs of EUR 18 million) compared to R&D expenditure of EUR 3,543 million (R&D costs of EUR 2,881 million recognized in our consolidated statement of profit or loss, plus capitalized development costs recognized as inventories (which are customer-funded) and recognized as intangible assets (which are funded by us) of EUR 683 million less amortization of the capitalized development costs of EUR 21 million) in the fiscal year ended December 31, 2023.

We intend to continue to invest significantly going forward to further strengthen and expand our position.

Our R&D centers comprise 20 main development locations around the world, including Friedrichshafen, Koblenz, Schweinfurt, Hanover, Düsseldorf, Dielingen, Passau and Auerbach (all in Germany), the Detroit metropolitan area (United States), Hyderabad and Chennai (India), Shanghai and Guangzhou (China), Czestochowa and Wroclaw (Poland), Pilsen (Czech Republic), Shirley (UK), Yokohama (Japan), Timisoara (Romania) and Monterrey (Mexico).

In the fiscal year ended December 31, 2024, a total of 2,880 invention disclosures (2023: 3,431) were filed by the Group. The filings led to 1,885 (2023: 2,081) new patent applications.

We base our R&D activities on technological openness, innovation and flexibility to shape technological change in the mobility industry. These are our key elements to meet the challenges of the major transformation in the automotive industry towards electrification and digitalization. Our focus lies on adapting current products, processes and business areas to make them future-proof in light of this transformation.

To promote competitiveness, we optimize our global R&D by streamlining our corporate structures and strengthening our competencies within our divisions to be able to meet our customer´s requirements. In fiscal year ended December 31, 2024, the organizational structures in R&D were optimized by relocating departments from corporate R&D to the divisions in order to reduce interfaces and enforce direct responsibilities. The corporate R&D department collaborates closely with the divisions to conduct research and development projects aimed at creating new products, applications, services and technologies. Furthermore, the global software center was strengthened by further centralization in Corporate R&D, especially in terms of platforms, processes and infrastructures. This was done to focus on the central provision of software platforms and the microcontroller base software for the entire ZF Group. In addition, we have strengthened key centers of competence and technology labs with new technological approaches. These centralisation measures aim to realize synergies and shall lead to further improvements and new innovative solutions for our products. In addition, all divisions are given clear performance priorities, from the microcontroller platform to OEM-specific basic software.

In the fiscal year ended December 31, 2024, we focused on the further development of applications in artificial intelligence (AI) and of digital twins. The use of virtual releases with the help of digital twins aims to reduce the validation effort in the projects of the product lines by up to 30% in the upcoming years. The use of AI solutions promises productivity increases of between 10% and 30%. Especially in series development projects, AI increases efficiency, reduces development costs and accelerates the time-to-market for products. Some application areas include requirements management, Copilot software development, design, testing and validation. The application of AI-based software models in the products, such as virtual sensors, holds great potential to make our products more innovative, powerful and cost-effective. In addition, ZF and Infineon Technologies AG set up and implemented AI algorithms for the development and control of vehicle software as part of the "EEmotion" funding project.

Sustainability is also an integral part of ZF's R&D strategy. Our R&D department proactively conducts risk assessments for upcoming projects and has defined measures to minimize the risks associated with the qualification of green materials. This enables our customers to meet future decarbonization requirements.

The following examples show recent key R&D innovations from our divisions:

- A particular focus of the Chassis Solutions division in 2024 was on connected chassis systems such as steer-by-wire, brake-by-wire, electronic damping systems and smart actuators. The ZF cubiX control software interlinks and coordinates the active and semi-active actuators via a control algorithm. This scalable system is based on a modular design that enables it to be adapted to suit the requirements of every automotive manufacturer. Optimum networking of the individual actuators results in new functions that increase not only comfort but also the dynamics and safety of the vehicle.
- In the fiscal year ended December 31, 2024, the Electrified Powertrain Technology division focused on improving individual products in terms of efficiency, reducing NVH (noise, vibration, harshness) and weight. Reducing weight not only improves driving dynamics and efficiency, but also takes sustainability into account as fewer materials and resources are needed. The focus was also on consolidating the portfolio with an emphasis on electric drive and converter solutions. By focusing on these technologies, resources have been strategically utilized to develop innovative and competitive products including the magnet-free motor and the inverter platform with discrete power module. Our magnet-free motor does not require rare-earth elements and thus supports ZF's sustainability strategy in the long term. The inverter platform with discrete power module offers a flexible and scalable solution to cater to customer-specific applications.

- Highlights of the ZF LIFETEC division included a steering wheel with a novel, seamless design that allows for adjustments and enhances the user experience. Furthermore, a new driver airbag was presented, which unfolds from the top of the steering wheel instead of from the front as before. This creates space for new features in the steering wheel. Other new products include a driver airbag solution (dual-contour bag) for vehicles aiming at Level 3 and higher autonomous driving, which protects the driver in both normal driving and comfort seating positions. Additionally, an internal side airbag has been developed that can be deployed just before a side impact, creating an additional crumple zone between the side door and the driver in two stages, thereby reducing the risk of injury.
- In the Electronics and ADAS division, the next generation of the Smart Camera 6 was introduced and further developed. In addition, a parking control unit was developed and introduced to the European market. In order to further advance the progress of ADAS and AD systems, the AI-supported validation service ZF Annotate was developed. ZF Annotate uses artificial intelligence to shorten the development and validation of assistance systems.

4.5 RAW MATERIALS AND SUPPLIERS

In the fiscal year ended December 31, 2024, our cost of raw materials, supplies, and merchandise amounted to EUR 25,414 million (2023: EUR 29,871 million).

Steel and aluminum are the principal raw materials used in many of our products. We purchase raw materials from global sources with whom we work closely to assure steel quality. Other important production materials include castings, turned parts and forgings. Furthermore, we rely on complex technological hardware for use in our products, in particular semiconductors, to meet the increasing demand of our customers for complex and innovative solutions. We obtain raw materials from a variety of sources and, in general, from more than one supplier. Prices of raw materials and energy resources are subject to curtailment or change due to, among other things, new laws or regulations, changes in demand levels, suppliers' allocations to other purchasers, interruptions in production by suppliers, changes in exchange rates and prevailing price levels.

For a detailed description of the risks associated with raw materials and energy supply, please see "*2.1.1.8 The industry in which we operate is characterized by intense competition, volatility of costs and commoditization of products, which could reduce our sales and/or put continued pressure on our sales prices.*"

4.6 SALES, MARKETING AND DISTRIBUTION

Market developments are heterogeneous and vary from region to region, while the customers increasingly operate on a global level. The markets, in turn, are subject to cyclical developments. Overall, this volatile environment diminishes the ability to plan ahead and requires flexible organizational structures that allow fast response times.

Adjusting to globalization and the increasing specialization of our customers, we have therefore improved our international coordination of customer-specific workflows. Our global key account management streamlines all activities related to individual customers across different business units and divisions and ensures efficient customer care. Full transparency of all material business transactions and customer strategies is key for our customer relations performance. While the global key account management avoids redundancies and unites customers' concerns, it also provides our customers with contact persons below the management level who are able to address cross-divisional questions. Such customer relations benefit us as well as the customers.

Market intelligence gains more and more importance for us. In order to identify new trends, a cross-divisional and cross-regional team gathers and assesses relevant information and derives appropriate recommendations and courses of action. Such early identification and assessment of customer-specific, regional and technological trends, patterns, risk assessments, competition analyses and even the portfolio assessment of our own product categories often form the basis of management decisions.

With regard to our OEM sales, each product group (*e.g.*, Passenger Cars, Commercial Vehicles & Industrials drives) has a dedicated sales organization which is in direct contact with our customers worldwide. Each sales force is responsible for the sales performance of the relevant business unit. In countries with only a small customer base or in which a local representative office is needed, the sales forces are supported by local representatives.

Aftermarket activities, in particular for automotive, off-highway and industrial products, are handled by our Aftermarket division. These activities include spare parts distribution as well as service and maintenance for our products. In order to serve the markets and provide the workshop level with the right part at the right time, we work with leading wholesalers and distributors worldwide. Our sales and technical force, present in more than 100

countries, are able to perform service and maintenance work for all of our products including complex transmissions and e-axles. Our own service capacities are complemented by our more than 20,000 independent workshop partners worldwide, which use our diagnostic software, are trained on our products and are audited on a regular basis to ensure compliance with our standards.

4.7 COMPETITION

We compete with a large number of other companies in our business divisions and independent business units.

Our key competitors in the automotive supply business are worldwide active suppliers of mechanical or electronic components, such as Robert Bosch GmbH (Germany), Continental AG (Germany), Denso Corp. (Japan), Aptiv (Ireland), BorgWarner (United States), and Magna International Inc. (Canada). In many segments, some of our OEM customers also have strong in-house capabilities.

In addition to these global players, we compete with a wide number of other companies in certain product areas, such as, for passenger cars/light vehicles:

- in the field of car Automatic Transmissions: Aisin AW Co., Ltd. (Japan), Jatco Ltd. (Japan); Magna PT B.V. & Co. KG (formerly known as GETRAG Getriebe- und Zahnradfabrik Hermann Hagenmeyer GmbH & Cie. KG) (Germany) and Punch Powertrain nv (Belgium);
- in the field of Starting Devices (e.g., clutches): Valeo Group (France), LuK GmbH & Co. KG (Germany) and Exedy Corp. (Japan);
- in the field of e-Mobility selected main competitors are: Robert Bosch GmbH (Germany), Continental AG (Germany), BluE Nexus Corporation (Japan), BorgWarner (United States), Valeo Group (France), Magna International Inc. (Canada), Schaeffler AG (Germany), GKN Automotive Limited (United Kingdom), Nidec Corporation (Japan), LG (South Korea) as well as OEM in-house manufacturing (e.g., Volkswagen Group (Germany), Hyundai Mobis (South Korea), BYD Co. Ltd. (China), AB Volvo (Sweden), Mercedes-Benz Group AG (Germany), Tesla Inc (United States));
- for Chassis: Somic Ishikawa Inc. (Hamamatsu, Japan), THK Co., Ltd. (Japan), CTR (South Korea), Musashi Seimitsu Industry Co., Ltd. (Japan) for chassis components, for dampers Tenneco Inc. (United States), KYB Corporation (Japan), Hitachi Astemo Ltd. (Japan), Mando Corporation (South Korea), ThyssenKrupp Bilstein GmbH (Germany); ClearMotion Inc. (US)
- for Steering systems: Robert Bosch GmbH (Germany), JTEKT Corporation (Japan), Nexteer (United States), Hitachi Astemo Americas, Inc (Japan, US), NSK Steering Systems (Japan), Mando Corporation (South Korea), ThyssenKrupp Presta AG (Liechtenstein);
- for Braking systems: Robert Bosch GmbH (Germany), Continental AG (Germany), Advics Co., Ltd. (Japan), Mando Corporation (South Korea), Hyundai Mobis (South Korea), Akebono Brake Industry Co., Ltd. (Japan); Brembo (Italy),
- for Safety Systems (airbags, seatbelts, steering wheels): Autoliv (Sweden), Joyson Safety Systems (United States), Toyoda Gosei (Japan), Wooshin Systems Co.,Ltd (South Korea), Tokai Rika (Japan), Yanfeng Safety Systems (China); Hyund Desayai Mobis (Korea), Samsong Industries, Ltd (South Korea) and Veoneer/SSW Partners LP (United States - for Restraint control systems/ECU);
- for ADAS components: Robert Bosch GmbH (Germany), Continental AG (Germany), Denso (Japan), Aptiv plc (Ireland), Hitachi (Japan), HL Klemove (former Mando) (South Korea), Valeo Group (France), Magna International Inc. (Canada), Qualcomm (United States), Mobileye (Israel), Desay SV (China), Huawei (China), DJI Automotive (China), Panasonic Automotive (Japan), Hyundai Mobis Co., Ltd. (South Korea) and LG Innotek (South Korea);

In the area of heavy commercial vehicles, we primarily compete with:

- with regard to heavy commercial vehicle transmissions: Eaton Corporation Plc (Ireland), Allison Transmission, Inc. (United States), Voith GmbH (Germany) and Shaanxi Fast Gear Co., Ltd. (China) as well as Inhouse Manufacturers e.g., Daimler Truck Holding AG (Germany), Volvo AB (Sweden), TRATON Group (Germany);
- in clutches: Valeo Group (France), LuK GmbH & Co. KG (Germany) and Exedy Corp. (Japan), Setco (United Kingdom) as well as Eaton Corporation Plc (Ireland); Yidong (China), Kongsberg (Norway)

- in chassis components and shock absorbers: Tenneco, Inc. (United States), Dongfeng (China), Dalian Anda (China), THK Co., Ltd. (Japan), Clevite (United States); *Shanchuan* (China), DITAS (Turkey)
- for steering systems: Robert Bosch Automotive Steering GmbH (Germany), CAAS China Automotive Systems (China), Knorr-Bremse AG (Germany);
- for electric/electrified powertrain: DANA Corporation (+TM4) (United States), Cummins Inc. + Meritor Inc. (United States) (Cummins to acquire Meritor in 2022), BorgWarner (United States), Robert Bosch GmbH (Germany), Shaanxi HanDe Axle Co. Ltd (China), Jing-Jin (China), Ivkon (China) Siemens AG (Germany), BAE Systems plc (United Kingdom), as well as inhouse manufacturers e.g., Daimler Truck Holding AG (Germany) BYD Auto Company Ltd (China), Volvo AB (Sweden), Zhengzhou Yutong Group Co., Ltd. (China), TRATON Group (Germany);
- for ADAS Components: Robert Bosch GmbH (Germany), Continental AG (Germany), Aptiv plc (Ireland), Valeo Group (France); Forvia/Hella (France), Hyundai Mobis (South Korea), Mobileye (Israel), Denso (Japan); Veoneer (former Autoliv now Magna) and MiniEye (China)
- for CV Braking Systems: Knorr-Bremse AG (Germany), Haldex AB (Sweden), SORL Auto Parts, Inc. (Ruili Group Ruian Auto Parts Co. Ltd, China), VIE Science and Technology Co., Ltd. (China).

Our competitors in the Industrial Technology division depend on the specific industry. We compete primarily with in-house production at the larger OEMs. In addition, further main competitors include Dana Corp. (United Sates), Cummins Inc. + Meritor Inc. (United States) Carraro, Kordel, TwinDisc, Reintjes, Renk, Schottel, Winergy, Moventas, NGC, China High Speed, Voith and Flender.

For a detailed description of the risks associated with competition within our industry, please see "*2.1.1.8 The industry in which we operate is characterized by intense competition, volatility of costs and commoditization of products, which could reduce our sales and/or put continued pressure on our sales prices.*"

4.8 EMPLOYEES

As of December 31, 2024, we had 161,631 (as of December 31, 2023: 168,738) employees (in headcounts; excluding temporary workforce, apprentices and vacation workers) in 30 countries worldwide.

4.9 LEGAL AND ARBITRATION PROCEEDINGS

Our companies are regularly parties to legal disputes and arbitration proceedings. We are also subject to regulatory investigations and enforcement proceedings by various governmental authorities, including national and supranational antitrust authorities. Other than the legal proceedings described below, the Group is not presently involved in any governmental, legal or arbitration proceeding which we currently expect could have a material adverse effect on the Group's financial position or results of operations and the Group was not involved in such proceedings during the twelve months preceding the date of this Prospectus.

Following the NHTSA announcement on April 23, 2019 regarding damaged ACUs and the corresponding investigation of the NHTSA in the United States regarding certain vehicles that are equipped with our airbag control units and which have been subject to recalls by Fiat Chrysler Automobiles, Hyundai-Kia Motors Corporation and Toyota, 25 class actions were filed against us in the United States and three class actions have been filed in Canada, seeking, inter alia, compensatory damages, punitive damages, statutory penalties and attorneys' fees. The class actions have been consolidated in the United States into a consolidated proceeding under federal multi-district litigation (MDL) procedural laws. Claims in the original consolidated complaint against ZF were dismissed in early 2022. An amended consolidated complaint was filed in May 2022, making similar claims. Our motions to dismiss are currently pending with respect to such amended complaint. Plaintiffs in two of the Canadian class actions voluntarily dismissed their claims with prejudice in 2023; one Canadian class action remains pending, although it is currently stayed.

In addition, following NHTSA's investigation into certain hybrid, toroidal frontal airbag inflators manufactured by ARC between 2000 and January 2018, a class action lawsuit was filed in Michigan against several airbag module suppliers (including ZF), vehicle manufacturers and ARC related to the use of the subject ARC inflators. The Michigan litigation was transferred into multi-district litigation in Georgia related to the same ARC inflators and consolidated with several substantively similar actions (in which we were not named) involving additional suppliers and manufacturers. We are vigorously defending the action. In October 2023, the defendants (including ZF) filed motions to dismiss the consolidated amended complaint. Those motions are currently pending.

For a detailed description of the risks associated with product liability claims as well as legal and administrative proceedings, please see "*2.1.1.1 Products that do not meet customer specifications or that contain, or are perceived to contain, defects or errors or that are otherwise incompatible with their intended end use could impose significant costs on us, including from warranty and product liability claims. In addition, quality risks could also damage our reputation.*" and "*2.1.4.1 We are subject to legal disputes and proceedings, the outcome of which could lead to substantial payment obligations, fines and related damage claims.*"

4.10 MATERIAL CONTRACTS

4.10.1 Existing ZF Bonds

ZF North America Capital Inc. (***ZF North America***), a wholly owned subsidiary of ZF, issued the following bonds, each guaranteed by ZF on an unconditional and irrevocable basis (together, the ***Existing NA ZF Bonds***):

- USD 600 million in aggregate principal amount of 6.875% fixed rate notes due April 14, 2028 (the ***6.875% USD 2028 Notes***).
- USD 600 million in aggregate principal amount of 7.125% fixed rate notes due April 14, 2030 (the ***7.125% USD 2030 Notes***).

As a result of buy-backs, especially completed in December 2017, as of the date of this Prospectus, the following principal amounts are outstanding: USD 600 million in the 6.875% USD 2028 Notes and USD 600 million in the 7.125% USD 2030 Notes.

In addition, on April 16, 2024, ZF North America agreed to issue the following bonds, each to be guaranteed by ZF on an unconditional and irrevocable basis and to be issued on April 23, 2024:

- USD 800 million in aggregate principal amount of 6.750% fixed rate notes due April 23, 2030 (the ***6.750% USD 2030 Notes***).
- USD 700 million in aggregate principal amount of 6.875% fixed rate notes due April 23, 2032 (the ***6.875% USD 2032 Notes***).

ZF Europe Finance B.V. issued the following bonds, each guaranteed by ZF AG on an unconditional and irrevocable basis (together, the ***Existing NL ZF Bonds***), which are outstanding as of the date of this Prospectus:

- EUR 900 million 2.000% fixed rate notes in bearer form due February 23, 2026 (the ***2.000% EUR 2026 Notes***).
- EUR 600 million 2.500% fixed rate notes in bearer form due October 23, 2027 (the ***2.500% EUR 2027 Notes***).
- EUR 700 million 3.000% fixed rate notes in bearer form due October 23, 2029 (the ***3.000% EUR 2029 Notes***).
- EUR 650 million 6.125% fixed rate notes in bearer form due March 13, 2029 (the ***6.125% EUR 2029 Notes***).
- EUR 800 million 4.750% fixed rate notes in bearer form due January 31, 2029 (the ***4.750% EUR 2029 Notes***).

ZF Finance GmbH (***ZF Finance GmbH***), a wholly owned subsidiary of ZF, issued the following notes under the Programme, each guaranteed by ZF AG on an unconditional and irrevocable basis (collectively the ***Existing DE ZF Bonds*** and, together with the Existing NA ZF Bonds and the Existing NL ZF Bonds, the ***Existing ZF Bonds***), which are outstanding as of the date of this Prospectus:

- EUR 750 million 3.000% fixed rate notes in bearer form due September 21, 2025 (the ***3.000% EUR 2025 Notes***).
- EUR 750 million 3.750% fixed rate notes in bearer form due September 21, 2028 (the ***3.750% EUR 2028 Notes***).
- EUR 500 million 2.750% fixed rate notes in bearer form due May 25, 2027 (the ***2.750% EUR 2027 Notes***).
- EUR 500 million 2.000% fixed rate notes in bearer form due May 6, 2027 (the ***2.000% EUR 2027 Notes***).
- EUR 500 million 2.250% fixed rate notes in bearer form due May 3, 2028 (the ***2.250% EUR 2028 Notes***).

- EUR 650 million 5.750% fixed rate notes in bearer form due August 3, 2026 (the ***5.750% EUR 2026 Notes***).

ZF Finance GmbH is no longer an issuer under the Programme.

The Existing ZF Bonds provide for a redemption right of the holders upon the occurrence of a change of control event. The Existing ZF Bonds further provide for events of default entitling their holders to demand immediate redemption thereof (including a cross-acceleration provision for liabilities in excess of EUR 100 million). The Existing ZF Bonds also contain a negative pledge provision (including certain customary exemptions).

4.10.2 ZF Bonded Loans (*Schuldscheindarlehen*)

On September 30, 2019, ZF AG entered into several fixed rate and floating rate tranches of euro-denominated bonded loans (*Schuldscheindarlehen*) in the aggregate amount of EUR 2,056,500,000 which have been fully disbursed in three instalments on October 25, 2019, January 20, 2020 and February 6, 2020 (the ***ZF Bonded Loans 2019***).

On September 28, 2022, ZF AG entered into several fixed rate and floating rate tranches of euro-denominated bonded loans (*Schuldscheindarlehen*) in the aggregate amount of EUR 700,000,000 (the ***ZF Bonded Loans 2022***).

On November 21, 2023, ZF AG also entered into a floating rate tranche of an euro-denominated bonded loan (*Schuldscheindarlehen*) in the amount of EUR 25,000,000 (the ***ZF Bonded Loan 2023***).

On July 10, 2024, ZF AG entered into a fixed rate and floating rate tranche of a euro-denominated bonded loan (*Schuldscheindarlehen*) in the aggregate amount of EUR 650,000,000 which have been fully disbursed in two instalments on 23 July 2024 and 25 October 2024 (the ***ZF Bonded Loan 2024 I***).

On July 15, 2024, ZF AG entered into two floating rate tranche of euro-denominated bonded loans (*Schuldscheindarlehen*) in the amount of (i) EUR 40,000,000 (the ***ZF Bonded Loan 2024 II)*** and (ii) EUR 60,000,000 (the ***ZF Bonded Loan 2024 III)***.

On August 28, 2024, ZF AG entered into a floating rate tranche of an euro-denominated bonded loan (*Schuldscheindarlehen*) in the amount of USD 50,000,000 (the ***ZF Bonded Loan 2024 IV***, and, together with the ZF Bonded Loans 2019, the ZF Bonded Loan 2022 and the ZF Bonded Loan 2023, the ZF Bonded Loan 2024 I, the ZF Bonded Loan 2024 II the ZF Bonded Loan 2024 III, the ***ZF Bonded Loans***).

The table below shows the ZF Bonded Loans that are outstanding as of the date of this Prospectus and their nominal value as of December 31, 2024:

Tranche	***Maturity***	***Interest rate***	***Nominal value as at December 31, 2024 (in EUR million) (unaudited)***
ZF 2019-2026.....	*October 2026*	*1.600%/floating*	*552.5*
ZF 2019-2027.....	*January 2027*	*1.600%/floating*	*86.5*
ZF 2019-2029.....	*October 2029*	*1.800%/floating*	*49.0*
ZF 2022-2025.....	*October 2025*	*5.395%/floating*	*391.0*
ZF 2022-2027.....	*October 2027*	*5.695%/floating*	*289.5*
ZF 2023-2028.....	*September 2028*	*floating*	*25.0*
ZF 2022-2029.....	*October 2029*	*5.972%/floating*	*14.5*
ZF 2024-2029.....	*July 2029*	*floating*	*60.0*
ZF 2024-2031.....	*July 2031*	*floating*	*40.0*
ZF 2024-2027.....	*July 2027*	*4.711%/floating*	*155.5*
ZF 2024-2028.....	*July 2028*	*4.755%/floating*	*270.0*
ZF 2024-2030.....	*July 2030*	*5.008%/floating*	*272.6*
Total			***2,206.1***

The margin of the ZF Bonded Loans 2022 and the ZF Bonded Loan 2023 will be increased or, as applicable decreased by not more than by 0.05% *per annum* depending on ZF achieving certain targets linked to an ESG rating from EcoVadis and set out in detail in the loan agreements for the ZF Bonded Loans 2022 and the ZF Bonded Loan 2023.

The ZF Bonded Loans contain undertakings of ZF such as a negative pledge provision (including certain customary exemptions).

In case a change of control in relation to ZF occurs, the relevant lender under the ZF Bonded Loans may claim prepayment of its participation in the ZF Bonded Loans.

Each of the ZF Bonded Loans also includes a termination right for the relevant lender in case of certain events of default (including a cross-acceleration provision for financial liabilities in excess of EUR 100 million).

The obligations represented by the ZF Bonded Loans rank *pari passu* with all other senior unsecured obligations of ZF.

4.10.3 Senior Facility Agreement

On July 14, 2022, ZF as borrower and guarantor, certain of its subsidiaries and certain financial institutions entered into an unsecured syndicated EUR 3,500,000,000 multicurrency revolving credit facility agreement (as amended from time to time, the ***Senior Facility Agreement***) consisting of one EUR 3,500,000,000 revolving loan facility (the ***Revolving Credit Facility***). In July 2023 and July 2024, we extended the duration of the Revolving Credit Facility, which has a remaining term until July 2029 and is undrawn as of the date of this Prospectus.

The Senior Facility Agreement contains customary events of default, the occurrence of which would allow for, among other things, the cancellation of the lenders' commitments or a declaration that all or part of the loans together with accrued interest and all other amounts outstanding under the finance documents are immediately due and payable. Additionally, the Senior Facility Agreement contains a mandatory prepayment event and termination right of a lender's commitment in case of a change of control with regard to ZF subject to a negotiation period. Furthermore, the Senior Facility Agreement contains a mandatory prepayment event with respect to a creditor's commitment if such lender's respective participation in a loan becomes unlawful.

In case of loans denominated in EUR, the Revolving Credit Facility bears interest in the aggregate of EURIBOR (floored at zero) and a margin, with such margin being adjusted depending on the public long-term rating from certain rating agencies, increasing or decreasing dependent on such rating. The margin of the Revolving Credit Facility will be increased or, as applicable decreased by not more than by 0.025% *per annum* depending on ZF

achieving certain sustainability targets set out in detail in the Senior Facility Agreement; such targets include the reduction of carbon emissions resulting from the combustion of fossil fuels during our production process, energy purchases and indirect emissions. If the Revolving Credit Facility is utilized by way of loans in USD, such loan will bear interest in the aggregate of Term SOFR (floored at zero) and a margin which is determined in the same as the interest for loans in euro.

The Senior Facility Agreement contains a number of affirmative and negative covenants customary for this type of financing which are subject to certain specified exceptions. These covenants include, among others, the obligation to provide financial statements and management accounts and also comprise certain other customary information obligations.

The restrictive covenants include, but are not limited to, restrictions on the incurrence of financial indebtedness in respect of ZF's subsidiaries, asset disposals, the granting of securities (so-called 'negative pledge'), loans and guarantees, mergers and substantial change of the general nature of our business.

Furthermore, ZF AG must ensure that the ratio of its consolidated total net debt to its consolidated adjusted EBITDA (calculated in accordance with certain parameters stipulated by the Senior Facility Agreement) does not exceed certain thresholds. According to the terms of the Senior Facility Agreement, ZF must ensure that the aforementioned ratio does not exceed certain ratios. As of December 31, 2024, such ratio was 4.00:1.

4.10.4 EIB Loan 2021

On December 17, 2021, ZF AG entered into a finance contract with the European Investment Bank (***EIB***), under which EIB established a credit in favor of ZF in an amount of EUR 250,000,000 (as amended from time to time, the ***EIB Loan 2021***) in order to finance certain research and development activities regarding the development of technologies regarding automated and autonomous driving (the ***Project 2021***). The EIB Loan 2021 has been partially disbursed in an amount of EUR 225,000,000 with a maturity date of April 27, 2028. The remaining credit line of EUR 25,000,000 has been cancelled from ZF´s side in May 2023.

The EIB Loan 2021 contains customary events of default, the occurrence of which would entitle EIB to demand that all or part of the EIB Loan 2021 together with all other accrued interest or outstanding amounts under the EIB Loan 2021 are immediately due and payable. Additionally, the EIB Loan 2021 contains certain compulsory prepayment events relating to the overall costs and financing of the Project 2021 and EIB's proportionate participation therein, the voluntary prepayment of non EIB financings, it becoming unlawful for the EIB to perform its obligations, and the occurrence of a change of control, upon which ZF may have to prepay part or all of the EIB Loan 2021.

The EIB Loan 2021 provides for the loan drawn thereunder to bear interest at the applicable 3-month EURIBOR plus a fixed margin per annum.

The EIB Loan 2021 contains a number of affirmative and negative covenants customary for this type of financing which are subject to certain specified exceptions. These covenants include, among others, the obligation to provide financial statements and management accounts (in certain circumstances only) and also comprise certain other customary information obligations.

The restrictive covenants include, but are not limited to, restrictions on the incurrence of financial indebtedness in respect of ZF's subsidiaries, asset disposals, the granting of securities (so-called 'negative pledge'), loans and guarantees, corporate restructurings, change of business, and substantial change of the general nature of our business.

The EIB Loan 2021 also contains certain covenants in relation to the Project 2021, particularly but not limited to, in respect of procurement procedure, costs and completion.

Furthermore, ZF AG must ensure that the ratio of its consolidated total net debt to its consolidated adjusted EBITDA (calculated in accordance with certain parameters stipulated by the EIB Loan 2021) does not exceed certain thresholds.

According to the terms of the EIB Loan 2021, ZF must ensure that the aforementioned ratio does not exceed certain ratios. As of December 31, 2024, such ratio is 4.00:1.

4.10.5 EIB Loan 2024

On July 8, 2024, ZF AG entered into a finance contract with EIB, under which EIB established a credit in favor of ZF in an amount of EUR 425,000,000 (as amended from time to time, the ***EIB Loan 2024***) in order to finance certain research and development activities regarding active safety technologies in automotive braking and steering, as well as improving functional and safety performance of future vehicle applications such as autonomous driving (the **Project 2024**). The EIB Loan 2024 has not been drawn as of the date of the Prospectus.

The EIB Loan 2024 contains certain customary events of default, the occurrence of which would entitle EIB to demand (in writing) that all or part of the EIB Loan 2024 together with all other accrued interest or outstanding amounts under the EIB Loan 2024 are immediately due and payable.

Additionally, the EIB Loan 2024 contains certain compulsory prepayment events relating to the overall costs and financing of the Project 2024 and EIB's proportionate participation therein, the voluntary prepayment of non EIB financings, it becoming unlawful for the EIB to perform its obligations, and the occurrence of a change of control, upon which ZF may have to prepay part or all of the EIB Loan 2024.

The loans under the EIB Loan 2024 bear interest at a fixed or floating rate, upon election of EIB, based on an initial margin of 70 basis points per annum subject to adjustments in case of a change of ZF´s credit rating.

The EIB Loan 2024 contains a number of affirmative and negative covenants customary for this type of financing which are subject to certain specified exceptions. These covenants include, among others, the obligation to provide financial statements and management accounts (in certain circumstances only) and also comprise certain other customary information obligations. The restrictive covenants include, but are not limited to, restrictions on the incurrence of financial indebtedness in respect of ZF's subsidiaries, asset disposals, the granting of securities (so-called 'negative pledge'), loans and guarantees, corporate restructurings, change of business, and substantial change of the general nature of our business. The EIB Loan 2024 also contains certain covenants in relation to the Project 2024, particularly but not limited to, in respect of procurement procedure, costs and completion.

Furthermore, ZF AG must ensure that the ratio of its consolidated net debt to its consolidated adjusted EBITDA (calculated in accordance with certain parameters stipulated by the EIB Loan 2024) does not exceed certain thresholds. The disbursement of tranches is also conditional on compliance with such ratio in case the outstanding loan exceeds a certain threshold.

According to the terms of the EIB Loan 2024, ZF must ensure that the aforementioned ratio does not exceed certain ratios. As of December 31, 2024, such ratio was 4.00:1.

4.10.6 Syndicated Facilities Agreement

In connection with the WABCO Acquisition, ZF AG entered into a syndicated credit facilities agreement, with ZF AG as borrower, J.P. Morgan Securities plc as mandated lead arranger, J.P. Morgan Europe Ltd as agent and various lenders, including some of the Dealers or their affiliates, as amended from time to time (the ***Syndicated Facilities Agreement***). The Syndicated Facilities Agreement originally consisted of (i) a term loan facility (bridge to capital market) in an amount of EUR 4.8 billion, which was fully replaced through the issue of ZF Bonded Loans and Euro Notes (***Facility A***), (ii) a term loan facility in an amount of EUR 1.0 billion, which was fully repaid in March 2022 (***Facility B***), and (iii) a third term loan facility in an amount of EUR 1.5 billion (***Facility C***) which was fully repaid on March 28, 2024, using available cash and cash equivalents in an amount of EUR 850 million, following partial repayments in July 2022 and September 2023.

4.10.7 KfW Loan 2022

On August 26, 2022, ZF AG entered into a finance contract with KfW IPEX-Bank GmbH (***KfW***), under which KfW established a credit in favor of ZF in an amount of EUR 250,000,000 (as amended from time to time, the ***KfW Loan 2022***) in order to finance research and development activities regarding the development of technologies regarding automated and autonomous driving (the ***Project 2022***). The KfW Loan 2022 has been partially disbursed in June 2023 in an amount of EUR 225,000,000 with a maturity date of August 26, 2027. The remaining credit line of EUR 25,000,000 has been cancelled from ZF side in June 2023.

The KfW Loan 2022 contains substantially the same terms as the EIB Loan 2021. Therefore, the KfW Loan 2022 contains customary events of default, the occurrence of which would entitle KfW to demand that all or part of the KfW Loan 2022 together with all other accrued interest or outstanding amounts under the KfW Loan 2022 are immediately due and payable. Additionally, the KfW Loan 2022 contains certain compulsory prepayment events relating to the overall costs and financing of the Project 2022 and KfW's proportionate participation therein, the voluntary prepayment of non KfW financings, it becoming unlawful for the KfW to perform its obligations, and the occurrence of a change of control, upon which ZF may have to prepay part or all of the KfW Loan 2022.

The KfW Loan 2022 provides for the loan drawn thereunder to bear interest at the applicable 6-month EURIBOR plus a fixed margin *per annum*.

The KfW Loan 2022 contains a number of affirmative and negative covenants customary for this type of financing which are subject to certain specified exceptions. These covenants include, among others, the obligation to provide financial statements and management accounts (in certain circumstances only) and also comprise certain other customary information obligations.

The restrictive covenants include, but are not limited to, restrictions on the incurrence of financial indebtedness in respect of ZF's subsidiaries, asset disposals, the granting of securities (so-called 'negative pledge'), loans and guarantees, mergers and substantial change of the general nature of our business.

The KfW Loan 2022 also contains certain covenants in relation to the Project 2022, particularly but not limited to, in respect of procurement procedure, costs and completion.

Furthermore, ZF AG must ensure that the ratio of its consolidated total net debt to its consolidated adjusted EBITDA (calculated in accordance with certain parameters stipulated by the KfW Loan 2022) does not exceed certain thresholds. As of December 31, 2024, such ratio was 4.00:1.

4.10.8 KfW Loan 2024

On December 19, 2024, ZF Holdings B.V. as borrower and ZF AG as Guarantor entered into a finance contract with KfW, under which KfW established a credit in favor of ZF in an amount of EUR 90,000,000 (as amended from time to time, the ***KfW Loan 2024***) in order to finance new product lines for the production of essential components of an electric vehicle motor at a site in Slovakia (the ***Slovakia Project 2024***). The KfW Loan 2024 has not been drawn as of the date of the Prospectus.

The KfW Loan 2024 contains customary events of default, the occurrence of which would entitle KfW to demand that all or part of the KfW Loan 2024 together with all other accrued interest or outstanding amounts under the KfW Loan 2024 are immediately due and payable.

Additionally, the KfW Loan 2024 contains certain compulsory prepayment events relating to the overall costs and financing of the Slovakia Project 2024 and KfW's proportionate participation therein, the prepayment of non KfW financings, it becoming unlawful for the KfW to perform its obligations, and the occurrence of a change of control, upon which ZF Holdings B.V. may have to prepay part or all of the KfW Loan 2024.

The KfW Loan 2024 provides for the loan drawn thereunder to bear interest at a fixed rate of 3.615% per annum.

The KfW Loan 2024 contains a number of affirmative and negative covenants customary for this type of financing which are subject to certain specified exceptions. These covenants include, among others, the obligation to provide financial statements and management accounts (in certain circumstances only) and also comprise certain other customary information obligations. The restrictive covenants include, but are not limited to, restrictions on the incurrence of financial indebtedness in respect of ZF's subsidiaries, asset disposals, the granting of securities (so-called 'negative pledge'), loans and guarantees, mergers and substantial change of the general nature of our business. The KfW Loan 2024 also contains certain covenants in relation to the Slovakia Project 2024, particularly but not limited to, in respect of procurement procedure, costs and completion.

Furthermore, ZF AG must ensure that the ratio of its consolidated total net debt to its consolidated adjusted EBITDA (calculated in accordance with certain parameters stipulated by the KfW Loan 2024) does not exceed certain thresholds. According to the terms of the KfW Loan 2024, ZF must ensure that the aforementioned ratio does not exceed certain ratios. As of December 31, 2024, such ratio was 4.00:1.

4.10.9 Contingent Liabilities

As of December 31, 2024, we had the following contingent liabilities at nominal values:

	As of December 31, 2024
	(in EUR million) (audited)
Guarantees	211
Thereof for participations	206
Other	148
Contingent liabilities	**359**

The guarantees are due within one year when fully utilized. The other contingent liabilities essentially refer to potential liabilities from procurement and personnel as well as from litigation and other taxes. In the year ended December 31, 2024, there were no collaterals for contingent liabilities.

4.10.10 Joint Venture with Foxconn

On April 30, 2024, ZF and Foxconn entered into a strategic partnership in the field of passenger car chassis systems. Foxconn acquired 50 percent of the shares in ZF Chassis Modules GmbH and has established together with us the new joint venture, called ZF Foxconn Chassis Modules. The joint venture strives to take advantage of expansion

opportunities in the global market for axle system assembly. It aims to achieve the possible adaptation to markets and contractual partners through continuous process optimization.

4.11 RECENT EVENTS

Dr. Rolf Breidenbach was appointed as Chairman of the Supervisory Board on March 19, 2025. He succeeds Dr. Heinrich Hiesinger who decided to leave the Supervisory Board as of March 19, 2025. Ingrid Jägering was appointed as a member of the Supervisory Board on March 20, 2025.

In April 2025, the United States government has imposed a 25% tariff on imports of automobiles and certain automobile parts into the United States. The 25% tariff applies to imported passenger vehicles and light trucks and is expected to apply to key automobile parts (e.g. engines, transmissions, shock absorbers, spark plug wires and brake hoses) on or around May 3, 2025, with processes to expand tariffs on further automobile parts. In addition, the United States government announced on April 2, 2025 to impose a 10% base tariff on all countries and an individualized reciprocal higher tariff on the countries with which the United States has the largest trade deficits. On April 9, 2025, the United States government announced to pause the implementation of the individualized reciprocal tariff for most of the targeted countries, including the EU, for 90 days. The protectionist measures of the United States government have led and are expected to lead to further countermeasures from other countries. ZF Group's imports in the U.S. are affected by these tariffs. The tariffs could change the U.S. consumer behavior due to higher prices for ZF Group products compared to U.S. products and may negatively affect our business, sales and market growth in North America, which is our second largest sales market. ZF closely monitors the U.S. tariff developments and the global trade environment. However, it is currently unpredictable as to when and to what extent further or suspended tariff regimes and related countermeasures can be expected to be implemented.

On April 22, 2025, S&P revised our long-term issuer credit rating and the issue rating on our unsecured debt to BB- and assigned a stable outlook.

5. ISSUE PROCEDURES

General

The relevant Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Tranche (the ***Conditions***). The Conditions will be constituted by the Terms and Conditions of the Notes set forth below (the ***Terms and Conditions***) as further specified by the provisions of the Final Terms as set out 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 relevant Issuer to choose among the following Options:

Option I – Terms and Conditions for Notes with fixed interest rates;

Option II – Terms and Conditions for Notes with floating interest rates;

With respect to Notes with fixed interest rates, the set of Terms and Conditions for Notes with fixed interest rates contained in the base prospectus dated April 21, 2023 of ZF Friedrichshafen AG, ZF Finance GmbH[4] and ZF Europe Finance B.V. (English and German language version) is incorporated by reference into this Prospectus as Option IA for the purpose of a potential increase of Notes outstanding and originally issued prior to the date of this Prospectus.

Documentation of the Conditions

The relevant 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 determine 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 the relevant provisions and completing the relevant placeholders of the relevant set of Terms and Conditions as set out in this Prospectus in the Final Terms. The replicated and completed provisions of the set of Terms and Conditions alone shall constitute the Conditions, which will be attached to each global note representing the Notes of the relevant Tranche.
- Alternatively, the Final Terms shall determine which of Option I or Option II and of the respective further options contained in each of Option I and Option II are applicable to the individual issue by only referring to the specific sections of the relevant set of Terms and Conditions as set out in this Prospectus. The Final Terms will specify that the provisions of the Final Terms and the relevant set of Terms and Conditions as

[4] Please note that the ZF Finance GmbH is no longer an issuer under the Programme.

set out in this 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 this Prospectus attached.

Determination of Options / Completion of Placeholders

The Final Terms shall determine which of 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 contains also certain further options (characterized by indicating the optional provision through instructions and explanatory notes set out either on the left of or in square brackets within the text of the relevant set of Terms and Conditions as set out in this Prospectus) as well as placeholders (characterized by square brackets which include the relevant items) which will be determined by the Final Terms as follows:

Determination of Options

The relevant 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 sections of the relevant set of Terms and Conditions as set out in this Prospectus. If the Final Terms do not replicate or refer to an alternative or optional provision it shall be deemed to be deleted from the Conditions.

Completion of Placeholders

The Final Terms will specify the information with which the placeholders in the relevant set of Terms and Conditions will be completed. In 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.

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

Controlling Language

The relevant Issuer will elect either German or English to be the controlling language in the Conditions.

6. TERMS AND CONDITIONS OF THE NOTES

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 characterized accordingly by indicating the respective optional provision through instructions and explanatory notes set out in square brackets within the set of Terms and Conditions.

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

*Die Emissionsbedingungen für die Schuldverschreibungen (die **Emissionsbedingungen**) sind nachfolgend in zwei Optionen aufgeführt.*

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

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

Der Satz von Emissionsbedingungen für jede dieser Optionen enthält bestimmte weitere Optionen, die entsprechend gekennzeichnet sind, indem die jeweilige optionale Bestimmung durch Instruktionen und Erklärungen in eckigen Klammern innerhalb des Satzes der Emissionsbedingungen 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 Prospektes keine Kenntnis von bestimmten Angaben hatte, die auf eine einzelne Emission von Schuldverschreibungen anwendbar sind, enthält dieser Prospekt Platzhalter in eckigen Klammern, die die maßgeblichen durch die Endgültigen Bedingungen zu vervollständigenden Angaben enthalten.

Terms and Conditions	**Emissionsbedingungen**
[*In case the options applicable to an individual issue are to be determined by referring in the Final Terms to the relevant options contained in the set of Terms and Conditions for Option I or Option II:*	**[*Im Fall, dass die Optionen, die für eine einzelne Emission anwendbar sind, in den Endgültigen Bedingungen durch Verweis auf die weiteren Optionen bestimmt werden, die im Satz der Emissionsbedingungen der Option I oder Option II enthalten sind:***
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	Die Bestimmungen dieser Emissionsbedingungen 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 Emissionsbedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt

completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the 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 and at the specified office of any Paying Agent provided that, in the case of Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be available to Holders of such Notes.]

wären; alternative oder wählbare Bestimmungen dieser Emissionsbedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausgefüllt oder die gestrichen sind, gelten als aus diesen Emissionsbedingungen gestrichen; sämtliche auf die Schuldverschreibungen nicht anwendbaren Bestimmungen dieser Emissionsbedingungen (einschließlich der Anweisungen, Anmerkungen und der Texte in eckigen Klammern) gelten als aus diesen Emissionsbedingungen gestrichen, so dass die Bestimmungen der Endgültigen Bedingungen Geltung erhalten. Kopien der Endgültigen Bedingungen sind kostenlos bei der bezeichneten Geschäftsstelle der Emissionsstelle und bei den bezeichneten Geschäftsstellen einer jeden Zahlstelle erhältlich; bei nicht an einer Börse notierten Schuldverschreibungen sind Kopien der betreffenden Endgültigen Bedingungen allerdings ausschließlich für die Gläubiger solcher Schuldverschreibungen erhältlich.]

OPTION I – Terms and Conditions for Notes with fixed interest rate / Emissionsbedingungen für Schuldverschreibungen mit fester Verzinsung

TERMS AND CONDITIONS

§ 1
(CURRENCY, DENOMINATION, FORM)

(1) Currency; Denomination.

This series of Notes (the ***Notes***) of **[**ZF Friedrichshafen AG**]** [ZF Europe Finance B.V.] (**[*ZF Friedrichshafen AG*] [*ZF Europe Finance B.V.*]** or the ***Issuer***) is being issued in **[*Specified Currency*]** (the ***Specified Currency***) in the aggregate principal amount **[*in the case the Global Note is an NGN (New Global Note) the following applies:*** (subject to § 1(3))**]** of **[*aggregate principal amount*]** (in words: **[*aggregate principal amount in words*]**) in the denomination of **[*Specified Denomination*]** (the ***Specified Denomination***).

(2) Form.

The Notes are being issued in bearer form.

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

(3) Permanent Global Note.

The Notes are represented by a permanent global note (the ***Permanent Global Note*** or the ***Global Note***) without coupons. The Permanent Global Note shall be signed manually by authorized signatories of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent. Definitive Notes and interest coupons will not be issued.**]**

[*In the case of Notes which are initially represented by a Temporary Global Note the following applies:*

(3) Temporary Global Note – Exchange.

(a) The Notes are initially represented by a temporary global note (the ***Temporary Global Note***) without coupons. The Temporary Global Note will be exchangeable for Notes in Specified Denominations represented by a permanent global note (the ***Permanent Global Note*** and together with the Temporary Global Note, the ***Global Notes***) without coupons. **[*In the case of Euroclear and CBL and if the Global Note is an NGN the following applies:*** The details of such exchange shall be entered in the records of the ICSDs (as defined below).**]** The Global Notes shall

EMISSIONSBEDINGUNGEN

§ 1
(WÄHRUNG, STÜCKELUNG, FORM)

(1) Währung; Stückelung.

Diese Serie von Schuldverschreibungen (die ***Schuldverschreibungen***) der **[**ZF Friedrichshafen AG**]** [ZF Europe Finance B.V.] (**[*ZF Friedrichshafen AG*] [*ZF Europe Finance B.V.*]** oder die ***Emittentin***) wird in **[*Festgelegte Währung*]** (die ***Festgelegte Währung***) im Gesamtnennbetrag **[*falls die Globalurkunde eine NGN (New Global Note) ist, ist folgendes anwendbar*:** (vorbehaltlich § 1(3))**]** von **[*Gesamtnennbetrag*]** (in Worten: **[*Gesamtnennbetrag in Worten*]**) in einer Stückelung von **[*Festgelegte Stückelung*]** (die ***Festgelegte Stückelung***) begeben.

(2) Form.

Die Schuldverschreibungen lauten auf den Inhaber.

[*Im Fall von Schuldverschreibungen, die durch eine Dauerglobalurkunde verbrieft sind, ist folgendes anwendbar:*

(3) Dauerglobalurkunde.

Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die ***Dauerglobalurkunde*** oder die ***Globalurkunde***) ohne Zinsscheine verbrieft. Die Dauerglobalurkunde trägt die eigenhändigen Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.**]**

[*Im Fall von Schuldverschreibungen, die anfänglich durch eine Vorläufige Globalurkunde verbrieft sind, ist folgendes anwendbar:*

(3) Vorläufige Globalurkunde – Austausch.

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die ***Vorläufige Globalurkunde***) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen Schuldverschreibungen in den Festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die ***Dauerglobal-urkunde*** und zusammen mit der Vorläufigen Globalurkunde, die ***Globalurkunden***) ohne Zinsscheine verbrieft sind, ausgetauscht. **[*Im Fall von Euroclear und CBL und wenn die Globalurkunde eine NGN ist, ist***

each be signed manually by authorized signatories of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive Notes and interest coupons will not be issued.

(b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the ***Exchange Date***) not earlier than 40 days after the date of issue of the Notes. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Notes will be treated as a request to exchange the Temporary Global Note pursuant to subparagraph (b) of this § 1(3). Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 1(6))**.]**

(4) Clearing System.

Each Global Note will be kept in custody by or on behalf of the 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**]** the following: **[**Clearstream Banking AG, Frankfurt am Main (***CBF***)**] [**Clearstream Banking S.A. (***CBL***)**] [**and**] [**Euroclear Bank SA/NV as operator of the Euroclear System (***Euroclear***)**]** and any successor in such capacity. **[*In the case of CBL and Euroclear as Clearing System the following applies: International Central Securities Depositary*** or ***ICSD*** means each of CBL and Euroclear (together, the ***ICSDs***).**]**

folgendes anwendbar: Die Einzelheiten eines solchen Austausches werden in die Aufzeichnungen der ICSDs (wie nachstehend definiert) aufgenommen.**]** Die Globalurkunden tragen jeweils die eigenhändigen Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die Vorläufige Globalurkunde wird an einem Tag (der ***Austauschtag***) gegen die Dauerglobalurkunde ausgetauscht, der nicht weniger als 40 Tage nach dem Tag der Begebung der Schuldverschreibungen liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Solange die Schuldverschreibungen durch eine Vorläufige Globalurkunde verbrieft sind, werden Zinszahlungen erst nach Vorlage dieser Bescheinigungen vorgenommen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Begebung der Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, diese Vorläufige Globalurkunde gemäß Absatz (b) dieses § 1(3) auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 1(6) definiert) geliefert werden.**]**

(4) Clearingsystem.

Die Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. ***Clearingsystem*** bedeutet **[*bei mehr als einem Clearingsystem ist folgendes anwendbar:*** jeweils**]** folgendes: **[**Clearstream Banking AG, Frankfurt am Main (***CBF***)**] [**Clearstream Banking S.A. (***CBL***)**] [**und**] [**Euroclear Bank SA/NV als Betreiberin des Euroclear Systems (***Euroclear***)**]** sowie jeder Funktionsnachfolger. **[*Im Fall von CBL oder Euroclear als Clearingsystem ist folgendes anwendbar*: ***International Central Securities Depositary*** oder ***ICSD*** bezeichnet jeweils CBL und Euroclear (zusammen die ***ICSDs***).**]**

[*In the case of Notes kept in custody on behalf of the ICSDs and the global note is an NGN, the following applies:* 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 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 customer's interest in the Notes) shall be conclusive evidence of the 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 any 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 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.**]**

[*In the case of Notes kept in custody on behalf of the ICSDs and the global note is a CGN, the following applies:* The Notes are issued in classical global note (***CGN***) form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

(5) Holder of Notes.

Holder means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

[*In the case the Temporary Global Note is an NGN, the following applies:* On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure

[*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und falls die Globalurkunde eine NGN ist, ist folgendes anwendbar:* Die Schuldverschreibungen werden in Form einer New Global Note (***NGN***) ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.

Der Nennbetrag 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 Nennbetrag 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 zu jedem Zeitpunkt ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD.

Bei Rückzahlung oder 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 jede Rückzahlung und Zahlung bzw. Kauf und Entwertung bezüglich der Globalurkunden *pro rata* in die Unterlagen der ICSDs eingetragen werden, und nach dieser Eintragung vom Nennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.**]**

[*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und falls die Globalurkunde eine CGN ist, ist folgendes anwendbar:* Die Schuldverschreibungen werden in Form einer Classical Global Note (***CGN***) ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.**]**

(5) Gläubiger von Schuldverschreibungen.

Gläubiger bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Rechts an den Schuldverschreibungen.

[*Falls die Globalurkunde eine NGN ist, ist folgendes anwendbar:* Bei Austausch nur eines Teils von Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, wird die Emittentin sicherstellen, dass die

that details of such exchange shall be entered *pro rata* in the records of the ICSDs.**]**

(6) United States.

For the purposes of these Terms and Conditions, ***United States*** means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

§ 2
(STATUS, NEGATIVE PLEDGE [*IN THE CASE OF NOTES ISSUED BY ZF EUROPE FINANCE B.V., THE FOLLOWING APPLIES:* , GUARANTEE])

(1) Status.

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations of the Issuer, present or future, unless such obligations are accorded priority under mandatory provisions of statutory law.

(2) Negative Pledge of the Issuer.

[*In the case of Notes issued by ZF Friedrichshafen AG, the following applies:*

(a) While any amounts remain outstanding under the Notes, but only up to the time all amounts payable to Holders under the Notes in accordance with these Terms and Conditions have been paid to the Clearing System or to its order, the Issuer undertakes

(i) it will not create or permit to subsist any security interest *in rem* (*dingliche Sicherheit*) over all or part of its present or future assets as security for any Capital Market Indebtedness (as defined in § 2(2)(d)) (including any guarantees and indemnities given in respect thereof), and

(ii) it will procure, to the extent legally permissible, that no Material

Einzelheiten dieses Austauschs *pro rata* in die Register der ICSDs aufgenommen werden.**]**

(6) Vereinigte Staaten.

Für die Zwecke dieser Emissionsbedingungen bezeichnet ***Vereinigte Staaten*** die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

§ 2
(STATUS, NEGATIVVERPFLICHTUNG [*IM FALL VON SCHULDVERSCHREIBUNGEN, DIE VON ZF EUROPE FINANCE B.V. BEGEBEN WERDEN, IST FOLGENDES ANWENDBAR:* , GARANTIE])

(1) Status.

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

(2) Negativverpflichtung der Emittentin.

[*Bei von ZF Friedrichshafen AG begebenen Schuldverschreibungen, ist folgendes anwendbar*:

(a) Solange Zahlungen aus den Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle auf die Schuldverschreibungen gemäß diesen Emissionsbedingungen an die Gläubiger zu zahlenden Beträge an das Clearingsystem oder an dessen Order gezahlt worden sind, verpflichtet sich die Emittentin

(i) für Kapitalmarktverbindlichkeiten (wie in § 2(2)(d) definiert) (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen) keine dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens zu gewähren oder bestehen zu lassen, und

(ii) soweit rechtlich möglich, sicherzustellen, dass keine

Subsidiary will at any time create or permit to subsist any security interest *in rem* upon all or any of its present or future assets as security for any Capital Market Indebtedness (including any guarantees and indemnities given in respect thereof) issued by the Issuer or a Material Subsidiary,

Wesentliche Tochtergesellschaft für Kapitalmarktverbindlichkeiten (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen), die von der Emittentin oder einer Wesentlichen Tochtergesellschaft begeben wurden, irgendwelche dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens gewährt oder bestehen lässt,

unless at the same time or prior thereto, the Issuer's obligations under the Notes are secured equally and rateably therewith or benefit from a security interest *in rem* in substantially identical terms thereto.

sofern nicht die Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig und anteilig an einer solchen dinglichen Sicherheit teilhaben, oder diesbezüglich eine dingliche Sicherheit zu im Wesentlichen gleichen Bedingungen bestellt wird.

(b) Exemptions from the Negative Pledge of the Issuer. The undertaking pursuant to § 2(2)(a) shall not apply to a security which

(b) Ausnahmen von der Negativverpflichtung der Emittentin. Die Verpflichtung nach § 2(2)(a) besteht jedoch nicht für solche Sicherheiten, die

(i) is mandatory according to applicable laws, or

(i) gesetzlich vorgeschrieben sind, oder

(ii) is required as a prerequisite for governmental approvals, or

(ii) als Voraussetzung für staatliche Genehmigungen verlangt werden, oder

(iii) is existing on the issue date of the Notes, or

(iii) am Begebungstag der Schuldverschreibungen bestehen, oder

(iv) is provided by the Issuer or by any Material Subsidiary over any of the Issuer's claims or claims of any Material Subsidiary against any affiliated companies within the meaning of § 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz*) or any third party, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the issuance of any securities, provided that any such security serves to secure obligations under such securities issued by the Issuer or by a Material Subsidiary, or

(iv) durch die Emittentin oder von einer Wesentlichen Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen der Emittentin oder Ansprüchen einer Wesentlichen Tochtergesellschaft gegen verbundene Unternehmen im Sinne der §§ 15 ff. Aktiengesetz oder gegen Dritte aufgrund der Weiterleitung von Erlösen aus der Emission von Wertpapieren bestehen, soweit diese Sicherheiten zur Sicherung von Verpflichtungen aus diesen durch die Emittentin oder durch eine Wesentliche Tochtergesellschaft ausgegebenen Wertpapieren dienen, oder

(v) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Issuer or any member of the Group as a consequence of such acquisition, provided that such Capital Market

(v) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichern, die infolge der Akquisition eine Verpflichtung der Emittentin oder einer Gesellschaft der Gruppe wird, sofern diese

Indebtedness was not created in contemplation of such acquisition, or

(vi) is provided in connection with any issuance of asset backed securities by the Issuer or by any member of the Group, or

(vii) is provided in respect of any issuance of asset backed securities made by a special purpose vehicle where the Issuer or any member of the Group is the originator of the underlying assets, or

(viii) is provided in respect of any financing of any project or asset, provided that the assets on which the security is created are (A) the assets which are used or to be used in or in connection with the project to which such Capital Markets Indebtedness relates or (B) revenues or claims which arise from the use, operation, failure to meet specifications, exploitation, sale, or loss of or damage to, such assets and provided further that such Capital Markets Indebtedness is not directly or indirectly the subject of any guarantee, indemnity or other form of assurance, undertaking or support from any other member of the Group, or

(ix) constitutes the renewal, extension or replacement of any security pursuant to foregoing (i) through (viii), or

(x) do not fall within the scope of application of (i) through (ix) above and which secure Capital Market Indebtedness with a principal amount (when aggregated with the principal amount of other Capital Markets Indebtedness which has the benefit of security (issued by the Issuer or any Material Subsidiary) other than any falling within the scope of application of (i) through (ix) above) not

Kapitalmarktverbindlichkeit nicht im Hinblick auf diese Akquisition begründet wurde, oder

(vi) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch die Emittentin oder eine Gesellschaft der Gruppe bestellt werden, oder

(vii) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch eine Zweckgesellschaft gegeben werden, bei denen die Emittentin oder eine Gesellschaft der Gruppe der Originator der zugrunde liegenden Vermögenswerte ist, oder

(viii) im Zusammenhang mit der Finanzierung von Projekten oder Vermögensgegenständen gegeben werden, vorausgesetzt, dass die Vermögensgegenstände, an denen das Sicherungsrecht besteht, (A) Vermögensgegenstände sind, die in dem Projekt oder im Zusammenhang mit dem Projekt, auf das sich die Kapitalmarktverbindlichkeiten beziehen, genutzt werden oder genutzt werden sollen, oder (B) Einnahmen oder Ansprüche sind, die aufgrund der Nutzung, des Betriebs, der Nichteinhaltung von Spezifikationen, der Verwertung, des Verkaufs, des Verlusts/Untergangs oder der Beschädigung dieser Vermögensgegenstände entstehen, und weiter vorausgesetzt, dass diese Kapitalmarktverbindlichkeiten weder direkt noch indirekt Gegenstand einer Garantie, Freistellung oder anderen Form der Zusicherung, Verpflichtung oder Unterstützung irgendeines anderen Mitglieds der Gruppe sind, oder

(ix) eine Erneuerung, Verlängerung oder Ersetzung irgendeiner Sicherheit gemäß vorstehend (i) bis (viii) darstellen, oder

(x) nicht in den Anwendungsbereich von (i) bis (ix) fallen und Kapitalmarktverbindlichkeiten besichern, deren Kapitalbetrag (zusammen mit dem Kapitalbetrag anderer Kapitalmarktverbindlichkeiten, für die andere dingliche Sicherheiten als solche (begeben durch die Emittentin oder eine Wesentliche Tochtergesellschaft), die in den Anwendungsbereich von (i) bis (ix) fallen, bestehen) EUR 300.000.000

exceeding EUR 300,000,000 (or its equivalent in other currencies).

(c) Any security which is to be provided pursuant to § 2(2)(a) may also be provided to a person acting as trustee for the Holders.

(d) Definitions.

The expressions "assets" and "obligation for the payment or repayment of money that is borrowed" as used in this § 2(2) do not include assets of the Issuer or any Material Subsidiary which, pursuant to the requirements of law and accounting principles generally accepted in the Federal Republic of Germany (***Germany***) or such other applicable law and accepted accounting principles generally, as the case may be, need not, and are not, reflected in the Issuer's or in a Material Subsidiary's balance sheets.

Capital Market Indebtedness means any present or future obligation for the payment or repayment of money (including obligations by reason of any guarantee or other liability agreement for obligations of third parties) that is borrowed either in the form of (i) bonded loans (*Schuldscheindarlehen*), (ii) registered notes (*Namensschuldverschreibungen*), or (iii) in the form of an issuance of notes with an original maturity of more than one year and which are, or are capable of being, quoted, listed or traded on a stock exchange or other recognized securities market.

Group means the Issuer and all of its fully consolidated Subsidiaries (as defined in this § 2(2)(d)) from time to time.

Subsidiary means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right of ownership and "control" in this context means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise within the meaning of § 17 of the German Stock Corporation Act (*Aktiengesetz*) (cases of multiple dependency (*mehrfache Abhängigkeit*) in relation of joint ventures where no partner

(bzw. den Gegenwert in anderen Währungen) nicht überschreitet.

(c) Eine nach § 2(2)(a) zu stellende Sicherheit kann auch zu Gunsten der Person eines Treuhänders der Gläubiger bestellt werden.

(d) Definitionen.

Die in diesem § 2(2) benutzten Begriffe "Vermögen" und "Verpflichtung zur Zahlung oder Rückzahlung von Geldern" schließen nicht solche Vermögensgegenstände der Emittentin oder einer Wesentlichen Tochtergesellschaft mit ein, die im Einklang mit den Gesetzen der Bundesrepublik Deutschland (***Deutschland***) und den dort anerkannten Regeln der Bilanzierung und Buchführung oder den jeweils anwendbaren Gesetzen und anerkannten Regeln der Bilanzierung und Buchführung nicht in den Bilanzen der Emittentin oder einer Wesentlichen Tochtergesellschaft ausgewiesen werden müssen und darin auch nicht ausgewiesen werden.

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder zukünftige Verpflichtung zur Zahlung oder Rückzahlung von Geldern (einschließlich Verpflichtungen aus Garantien oder anderen Haftungsvereinbarungen für Verbindlichkeiten von Dritten) entweder (i) aus Schuldscheindarlehen, (ii) aus Namensschuldverschreibungen oder (iii) aus Schuldverschreibungen, sofern diese eine ursprüngliche Laufzeit von mehr als einem Jahr haben und an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden oder notiert, zugelassen oder gehandelt werden können.

Gruppe bezeichnet die Emittentin und ihre jeweiligen vollkonsolidierten Tochtergesellschaften (wie in diesem § 2(2)(d) definiert).

Tochtergesellschaft bezeichnet ein Unternehmen, bei dem eine Person die unmittelbare oder mittelbare Kontrolle besitzt oder unmittelbar oder mittelbar Eigentümer von mehr als 50 % des stimmberechtigten Kapitals oder entsprechender Eigentumsrechte ist; "Kontrolle" bedeutet in diesem Zusammenhang die Berechtigung, die Geschäftsführung und die Politik des Unternehmens sei es über das Eigentum am stimmberechtigten Kapital, mittels eines Vertrages oder auf andere Weise im

holds more than 50% of the voting rights shall be excluded).

Material Subsidiaries means a Subsidiary of the Issuer which has unconsolidated earnings before interest, taxes, depreciation and amortization (***EBITDA***) or unconsolidated gross assets (based on the latest annual financial statements of the respective Subsidiary which was consolidated into the latest audited consolidated financial statements of the Group) representing 5% or more of the unconsolidated EBITDA or unconsolidated gross assets of the Group, provided that any newly acquired subsidiary of the Issuer shall in no event constitute a Material Subsidiary until expiry of a six-month period from the completion of the relevant acquisition. A certificate issued by the Issuer's auditors stating that a Subsidiary is or is not or was or was not at a specified date a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

(a) While any amounts remain outstanding under the Notes, but only up to the time all amounts payable to Holders under the Notes in accordance with these Terms and Conditions have been paid to the Clearing System or to its order, the Issuer undertakes that it will not create or permit to subsist any security interest *in rem* (*dingliche Sicherheit*) over all or part of its present or future assets as security for any Capital Market Indebtedness (as defined in § 2(4)) (including any guarantees and indemnities given in respect thereof) issued by the Issuer, unless the Issuer's obligations under the Notes are secured equally and rateably therewith or benefit from a security interest *in rem* in substantially identical terms thereto.

Sinne von § 17 Aktiengesetz zu bestimmen (Fälle mehrfacher Abhängigkeit bei Gemeinschaftsunternehmen, bei denen kein Partner mehr als 50 % der Stimmrechte hält, sind dabei ausgeschlossen).

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Emittentin, deren unkonsolidiertes Ergebnis vor Zinsen, Steuern, Abschreibungen und Abschreibungen auf immaterielle Vermögenswerte (***EBITDA***) oder unkonsolidiertes Bruttovermögen (gemäß dem letzten Jahresabschluss der betreffenden Tochtergesellschaft, der in den letzten geprüften Konzernabschluss konsolidiert wurde) mindestens 5 % des unkonsolidierten EBITDA oder unkonsolidierten Bruttovermögens der Gruppe ausmacht, wobei eine neu erworbene Tochtergesellschaft der Emittentin bis zum Ablauf von sechs Monaten ab Durchführung des Erwerbs nicht als Wesentliche Tochtergesellschaft gilt. Ein Bericht der Wirtschaftsprüfer der Emittentin darüber, ob ihrer Meinung nach eine Tochtergesellschaft zu einem bestimmten Zeitpunkt eine Wesentliche Tochtergesellschaft ist oder war bzw. nicht ist oder nicht war, ist, sofern nicht ein offensichtlicher Irrtum vorliegt, für alle Beteiligten endgültig und bindend.**]**

[*Bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar*:

(a) Solange Zahlungen aus den Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle auf die Schuldverschreibungen gemäß diesen Emissionsbedingungen an die Gläubiger zu zahlenden Beträge an das Clearingsystem oder an dessen Order gezahlt worden sind, verpflichtet sich die Emittentin, für Kapitalmarktverbindlichkeiten (wie in § 2(4) definiert) (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen), die von der Emittentin begeben worden sind, keine dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens zu gewähren oder bestehen zu lassen, sofern nicht die Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig und anteilig an einer solchen dinglichen Sicherheit teilhaben, oder diesbezüglich eine dingliche Sicherheit zu im

Wesentlichen gleichen Bedingungen bestellt wird.

(b) Exemptions from the Negative Pledge of the Issuer. The undertaking pursuant to § 2(2)(a) shall not apply to a security which

(b) Ausnahmen von der Negativverpflichtung der Emittentin. Die Verpflichtung nach § 2(2)(a) besteht jedoch nicht für solche Sicherheiten, die

(i) is mandatory according to applicable laws, or

(i) gesetzlich vorgeschrieben sind, oder

(ii) is required as a prerequisite for governmental approvals, or

(ii) als Voraussetzung für staatliche Genehmigungen verlangt werden, oder

(iii) is existing on the issue date of the Notes, or

(iii) am Begebungstag der Schuldverschreibungen bestehen, oder

(iv) provided by the Issuer over any of the Issuer's claims against any affiliated companies within the meaning of § 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz*) or any third party, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the issuance of any securities, provided that any such security serves to secure obligations under such securities issued by the Issuer, or

(iv) durch die Emittentin zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen der Emittentin gegen verbundene Unternehmen im Sinne der §§ 15 ff. Aktiengesetz oder gegen Dritte aufgrund der Weiterleitung von Erlösen aus der Emission von Wertpapieren bestehen, soweit diese Sicherheiten zur Sicherung von Verpflichtungen aus diesen durch die Emittentin ausgegebenen Wertpapieren dienen, oder

(v) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Issuer or any member of the Group as a consequence of such acquisition, provided that such Capital Market Indebtedness was not created in contemplation of such acquisition, or

(v) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichern, die infolge der Akquisition eine Verpflichtung der Emittentin oder einer Gesellschaft der Gruppe wird, sofern diese Kapitalmarktverbindlichkeit nicht im Hinblick auf diese Akquisition begründet wurde, oder

(vi) is provided in connection with any issuance of asset backed securities by the Issuer or by any member of the Group, or

(vi) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch die Emittentin oder eine Gesellschaft der Gruppe bestellt werden, oder

(vii) is provided in respect of any issuance of asset backed securities made by a special purpose vehicle where the Issuer or any member of the Group is the originator of the underlying assets, or

(vii) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch eine Zweckgesellschaft gegeben werden, bei denen die Emittentin oder eine Gesellschaft der Gruppe der Originator der zugrunde liegenden Vermögenswerte ist, oder

(viii) is provided in respect of any financing of any project or asset, provided that the assets on which the security is created are (A) the assets which are used or to be used in or in connection with the project

(viii) im Zusammenhang mit der Finanzierung von Projekten oder Vermögensgegenständen gegeben werden, vorausgesetzt, dass die Vermögensgegenstände, an denen das Sicherungsrecht besteht, (A)

to which such Capital Markets Indebtedness relates or (B) revenues or claims which arise from the use, operation, failure to meet specifications, exploitation, sale, or loss of or damage to, such assets and provided further that such Capital Markets Indebtedness is not directly or indirectly the subject of any guarantee, indemnity or other form of assurance, undertaking or support from any other member of the Group, or

Vermögensgegenstände sind, die in dem Projekt oder im Zusammenhang mit dem Projekt, auf das sich die Kapitalmarktverbindlichkeiten beziehen, genutzt werden oder genutzt werden sollen, oder (B) Einnahmen oder Ansprüche sind, die aufgrund der Nutzung, des Betriebs, der Nichteinhaltung von Spezifikationen, der Verwertung, des Verkaufs, des Verlusts/Untergangs oder der Beschädigung dieser Vermögensgegenstände entstehen, und weiter vorausgesetzt, dass diese Kapitalmarktverbindlichkeiten weder direkt noch indirekt Gegenstand einer Garantie, Freistellung oder anderen Form der Zusicherung, Verpflichtung oder Unterstützung irgendeines anderen Mitglieds der Gruppe sind, oder

(ix) constitutes the renewal, extension or replacement of any security pursuant to foregoing (i) through (viii), or

(ix) eine Erneuerung, Verlängerung oder Ersetzung irgendeiner Sicherheit gemäß vorstehend (i) bis (viii) darstellen, oder

(x) do not fall within the scope of application of (i) through (ix) above and which secure Capital Market Indebtedness with a principal amount (when aggregated with the principal amount of other Capital Markets Indebtedness which has the benefit of security issued by the Issuer, the Guarantor or any Material Subsidiary (as defined in§ 2(4)) other than any falling within the scope of application of (i) through (ix) above) not exceeding EUR 300,000,000 (or its equivalent in other currencies).

(x) nicht in den Anwendungsbereich von (i) bis (ix) fallen und Kapitalmarktverbindlichkeiten besichern, deren Kapitalbetrag (zusammen mit dem Kapitalbetrag anderer Kapitalmarktverbindlichkeiten, für die andere dingliche Sicherheiten als solche (begeben durch die Emittentin, die Garantin oder eine Wesentliche Tochtergesellschaft (wie in § 2(4) definiert)), die in den Anwendungsbereich von (i) bis (ix) fallen, bestehen) EUR 300.000.000 (bzw. den Gegenwert in anderen Währungen) nicht überschreitet.

(c) Any security which is to be provided pursuant to this § 2(2)(a) may also be provided to a person acting as trustee for the Holders.**]**

(c) Eine nach § 2(2)(a) zu stellende Sicherheit kann auch zu Gunsten der Person eines Treuhänders der Gläubiger bestellt werden.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

[*Im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*

(3) Guarantee and Negative Pledge.

(3) Garantie und Negativverpflichtung.

(a) ZF Friedrichshafen AG (the ***Guarantor***) has given an unconditional and irrevocable guarantee (the ***Guarantee***) for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Notes. The Guarantee constitutes a contract for the benefit of the

(a) Die ZF Friedrichshafen AG (die ***Garantin***) hat eine unbedingte und unwiderrufliche Garantie (die ***Garantie***) für die ordnungsgemäße und pünktliche Zahlung von Kapital und Zinsen auf die Schuldverschreibungen sowie von jeglichen sonstigen Beträgen, die auf die

Holders from time to time as third party beneficiaries in accordance with § 328 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*)[5], giving rise to the right of each Holder to require performance of the obligations assumed in the Guarantee directly from the Guarantor and to enforce such obligations directly against the Guarantor. Copies of the Guarantee may be obtained free of charge at the specified office of the Fiscal Agent.

Schuldverschreibungen zahlbar sind, übernommen. Die Garantie stellt einen Vertrag zugunsten Dritter im Sinne des § 328 Abs. 1 BGB dar, der jedem Gläubiger das Recht gibt, die Erfüllung der in der Garantie übernommenen Verpflichtungen unmittelbar von der Garantin zu verlangen und die Garantie unmittelbar gegen die Garantin durchzusetzen. Kopien der Garantie sind kostenfrei bei der bezeichneten Geschäftsstelle der Emissionsstelle erhältlich.

(b) Negative Pledge of the Guarantor. While any amounts remain outstanding under the Notes, but only up to the time all amounts payable to Holders under the Notes in accordance with these Terms and Conditions have been paid to the Clearing System or to its order, the Guarantor has undertaken in the Guarantee that

(b) Negativverpflichtung der Garantin. Solange Zahlungen aus den Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle auf die Schuldverschreibungen gemäß diesen Emissionsbedingungen an die Gläubiger zu zahlenden Beträge an das Clearingsystem oder an dessen Order gezahlt worden sind, hat sich die Garantin in der Garantie verpflichtet,

(i) it will not create or permit to subsist any security interest *in rem* (*dingliche Sicherheit*) over all or part of its present or future assets as security for any Capital Market Indebtedness (as defined in § 2(4)) (including any guarantees and indemnities given in respect thereof), and

(i) für Kapitalmarktverbindlichkeiten (wie in § 2(4) definiert) (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen) keine dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens zu gewähren oder bestehen zu lassen, und

(ii) it will procure, to the extent legally permissible, that no Material Subsidiary (as defined in § 2(4)) will at any time create or permit to subsist any security interest *in rem* upon all or any of its present or future assets as security for any Capital Market Indebtedness (including any guarantees and indemnities given in respect thereof) issued by the Guarantor or a Material Subsidiary,

(ii) soweit rechtlich möglich, sicherzustellen, dass keine ihrer Wesentlichen Tochtergesellschaften (wie in § 2(4) definiert) Sicherungsrechte an gegenwärtigen oder zukünftigen Teilen ihres Vermögens oder ihres Vermögens insgesamt zur Sicherung der gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeiten,

bestellt oder fortbestehen lässt, ohne jeweils die Gläubiger zur gleichen Zeit auf gleiche Weise und anteilig an diesen Sicherungsrechten teilhaben zu lassen.

unless at the same time or prior thereto, the Issuer's obligations under the Notes are secured equally and rateably therewith or benefit from a security interest *in rem* in substantially identical terms thereto.

sofern nicht die Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig und anteilig an einer solchen dinglichen Sicherheit teilhaben, oder diesbezüglich eine dingliche Sicherheit zu im

[5] An English language convenience translation of § 328 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) reads as follows: A contract may stipulate performance for the benefit of a third party, to the effect that the third party acquires the right directly to demand performance.

(c) Exemptions from the Negative Pledge of the Guarantor. The undertaking pursuant to § 2(3)(b) shall not apply to a security which

(i) is mandatory according to applicable laws, or

(ii) is required as a prerequisite for governmental approvals, or

(iii) is existing on the issue date of the Notes, or

(iv) provided by the Guarantor or by any Material Subsidiary over any of the Guarantor's claims or claims of any Material Subsidiary against any affiliated companies within the meaning of § 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz*) or any third party, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the issuance of any securities, provided that any such security serves to secure obligations under such securities issued by the Guarantor or by a Material Subsidiary, or

(v) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Guarantor or any member of the Group as a consequence of such acquisition, provided that such Capital Market Indebtedness was not created in contemplation of such acquisition, or

(vi) is provided in connection with any issuance of asset backed securities by the Guarantor or by any member of the Group, or

(vii) is provided in respect of any issuance of asset backed securities made by a special purpose vehicle where the Guarantor or any member of the Group is the originator of the underlying assets, or

(viii) is provided in respect of any financing of any project or asset, provided that the assets on which the

Wesentlichen gleichen Bedingungen bestellt wird.

(c) Ausnahmen von der Negativverpflichtung der Garantin. Die Verpflichtung nach § 2(3)(b) besteht jedoch nicht für solche Sicherheiten, die

(i) gesetzlich vorgeschrieben sind, oder

(ii) als Voraussetzung für staatliche Genehmigungen verlangt werden, oder

(iii) am Begebungstag der Schuldverschreibungen bestehen, oder

(iv) durch die Garantin oder von einer Wesentlichen Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen der Garantin oder Ansprüchen einer Wesentlichen Tochtergesellschaft gegen verbundene Unternehmen im Sinne der §§ 15 ff. Aktiengesetz oder gegen Dritte aufgrund der Weiterleitung von Erlösen aus der Emission von Wertpapieren bestehen, soweit diese Sicherheiten zur Sicherung von Verpflichtungen aus diesen durch die Garantin oder durch eine Wesentliche Tochtergesellschaft ausgegebenen Wertpapieren dienen, oder

(v) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichern, die infolge der Akquisition eine Verpflichtung der Garantin oder einer Gesellschaft der Gruppe wird, sofern diese Kapitalmarktverbindlichkeit nicht im Hinblick auf diese Akquisition begründet wurde, oder

(vi) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch die Garantin oder eine Gesellschaft der Gruppe bestellt werden, oder

(vii) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch eine Zweckgesellschaft gegeben werden, bei denen die Garantin oder eine Gesellschaft der Gruppe der Originator der zugrunde liegenden Vermögenswerte ist, oder

(viii) im Zusammenhang mit der Finanzierung von Projekten oder Vermögensgegenständen gegeben

security is created are (A) the assets which are used or to be used in or in connection with the project to which such Capital Markets Indebtedness relates or (B) revenues or claims which arise from the use, operation, failure to meet specifications, exploitation, sale, or loss of or damage to, such assets and provided further that such Capital Markets Indebtedness is not directly or indirectly the subject of any guarantee, indemnity or other form of assurance, undertaking or support from any other member of the Group, or

werden, vorausgesetzt, dass die Vermögensgegenstände, an denen das Sicherungsrecht besteht, (A) Vermögensgegenstände sind, die in dem Projekt oder im Zusammenhang mit dem Projekt, auf das sich die Kapitalmarktverbindlichkeiten beziehen, genutzt werden oder genutzt werden sollen, oder (B) Einnahmen oder Ansprüche sind, die aufgrund der Nutzung, des Betriebs, der Nichteinhaltung von Spezifikationen, der Verwertung, des Verkaufs, des Verlusts/Untergangs oder der Beschädigung dieser Vermögensgegenstände entstehen, und weiter vorausgesetzt, dass diese Kapitalmarktverbindlichkeiten weder direkt noch indirekt Gegenstand einer Garantie, Freistellung oder anderen Form der Zusicherung, Verpflichtung oder Unterstützung irgendeines anderen Mitglieds der Gruppe sind, oder

(ix) constitutes the renewal, extension or replacement of any security pursuant to foregoing (i) through (viii), or

(ix) eine Erneuerung, Verlängerung oder Ersetzung irgendeiner Sicherheit gemäß vorstehend (i) bis (viii) darstellen, oder

(x) do not fall within the scope of application of (i) through (ix) above and which secure Capital Market Indebtedness with a principal amount (when aggregated with the principal amount of other Capital Markets Indebtedness which has the benefit of security (issued by the Issuer, the Guarantor or any Material Subsidiary) other than any falling within the scope of application of (i) through (ix) above) not exceeding EUR 300,000,000 (or its equivalent in other currencies).

(x) nicht in den Anwendungsbereich von (i) bis (ix) fallen und Kapitalmarktverbindlichkeiten besichern, deren Kapitalbetrag (zusammen mit dem Kapitalbetrag anderer Kapitalmarktverbindlichkeiten, für die andere dingliche Sicherheiten als solche (begeben durch die Emittentin, die Garantin oder eine Wesentliche Tochtergesellschaft), die in den Anwendungsbereich von (i) bis (ix) fallen, bestehen) EUR 300.000.000 (bzw. den Gegenwert in anderen Währungen) nicht überschreitet.

(d) Any security which is to be provided pursuant to § 2(3)(b) may also be provided to a person acting as trustee for the Holders.

(d) Eine nach § 2(3)(b) zu stellende Sicherheit kann auch zu Gunsten der Person eines Treuhänders der Gläubiger bestellt werden.

(e) Release of Guarantee. The Guarantee shall be released only upon discharge in full of the aggregate principal amount of all Notes then outstanding, any interest due thereon and all other amounts under the Notes then due and owing.**]**

(e) Freigabe der Garantie. Die Garantie darf nur nach vollständiger Zahlung des Gesamtnennbetrages aller zum jeweiligen Zeitpunkt ausstehenden Schuldverschreibungen, der hierauf fälligen Zinsen und jeglicher sonstigen zum jeweiligen Zeitpunkt fälligen und geschuldeten Beträge aus den Schuldverschreibungen freigegeben werden.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

(4) Definitions.

The expressions "assets" and "obligation for the payment or repayment of money that is borrowed" as used in this § 2 do not include assets of the Issuer, Guarantor or any Material Subsidiary which, pursuant to the requirements of law and accounting principles generally accepted in the Federal Republic of Germany (***Germany***) **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** and in the Kingdom of The Netherlands**]** or such other applicable law and accepted accounting principles generally, as the case may be, need not, and are not, reflected in the Issuer's, Guarantor's or in a Material Subsidiary's balance sheets.

Capital Market Indebtedness means any present or future obligation for the payment or repayment of money (including obligations by reason of any guarantee or other liability agreement for obligations of third parties) that is borrowed either in the form of (i) bonded loans (*Schuldscheindarlehen*), (ii) registered notes (*Namensschuldverschreibungen*), or (iii) in the form of an issuance of notes with an original maturity of more than one year and which are, or are capable of being, quoted, listed or traded on a stock exchange or other recognized securities market.

Group means the Guarantor and all of its fully consolidated Subsidiaries (as defined in this § 2(4)) from time to time.

Subsidiary means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right of ownership and "control" in this context means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise within the meaning of § 17 of the German Stock Corporation Act (*Aktiengesetz*) (cases of multiple dependency (*mehrfache Abhängigkeit*) in relation of joint ventures where no partner holds more than 50% of the voting rights shall be excluded).

[*Im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*

(4) Definitionen.

Die in diesem § 2 benutzten Begriffe "Vermögen" und "Verpflichtung zur Zahlung oder Rückzahlung von Geldern" schließen nicht solche Vermögensgegenstände der Emittentin, der Garantin oder einer Wesentlichen Tochtergesellschaft mit ein, die im Einklang mit den Gesetzen der Bundesrepublik Deutschland (***Deutschland***) **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** und des Königreichs der Niederlande**]** und den dort anerkannten Regeln der Bilanzierung und Buchführung oder den jeweils anwendbaren Gesetzen und anerkannten Regeln der Bilanzierung und Buchführung nicht in den Bilanzen der Emittentin, der Garantin oder einer Wesentlichen Tochtergesellschaft ausgewiesen werden müssen und darin auch nicht ausgewiesen werden.

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder zukünftige Verpflichtung zur Zahlung oder Rückzahlung von Geldern (einschließlich Verpflichtungen aus Garantien oder anderen Haftungsvereinbarungen für Verbindlichkeiten von Dritten) entweder (i) aus Schuldscheindarlehen, (ii) aus Namensschuldverschreibungen oder (iii) aus Schuldverschreibungen, sofern diese eine ursprüngliche Laufzeit von mehr als einem Jahr haben und an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden oder notiert, zugelassen oder gehandelt werden können.

Gruppe bezeichnet die Garantin und ihre jeweiligen vollkonsolidierten Tochtergesellschaften (wie in diesem § 2(4) definiert).

Tochtergesellschaft bezeichnet ein Unternehmen, bei dem eine Person die unmittelbare oder mittelbare Kontrolle besitzt oder unmittelbar oder mittelbar Eigentümer von mehr als 50 % des stimmberechtigten Kapitals oder entsprechender Eigentumsrechte ist; "Kontrolle" bedeutet in diesem Zusammenhang die Berechtigung, die Geschäftsführung und die Politik des Unternehmens sei es über das Eigentum am stimmberechtigten Kapital, mittels eines Vertrages oder auf andere Weise im Sinne von § 17 Aktiengesetz zu bestimmen (Fälle mehrfacher Abhängigkeit bei Gemeinschaftsunternehmen, bei denen kein Partner mehr als 50 % der Stimmrechte hält, sind dabei ausgeschlossen).

Material Subsidiaries means a Subsidiary of the Guarantor which has unconsolidated earnings before interest, taxes, depreciation and amortization (***EBITDA***) or unconsolidated gross assets (based on the latest annual financial statements of the respective Subsidiary which was consolidated into the latest audited consolidated financial statements of the Group) representing 5% or more of the unconsolidated EBITDA or unconsolidated gross assets of the Group, provided that any newly acquired subsidiary of the Guarantor shall in no event constitute a Material Subsidiary until expiry of a six-month period from the completion of the relevant acquisition. A certificate issued by the Guarantor's auditors stating that a subsidiary is or is not or was or was not at a specified date a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.**]**

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Garantin, deren unkonsolidiertes Ergebnis vor Zinsen, Steuern, Abschreibungen und Abschreibungen auf immaterielle Vermögenswerte (***EBITDA***) oder unkonsolidiertes Bruttovermögen (gemäß dem letzten Jahresabschluss der betreffenden Tochtergesellschaft, der in den letzten geprüften Konzernabschluss konsolidiert wurde) mindestens 5 % des unkonsolidierten EBITDA oder unkonsolidierten Bruttovermögens der Gruppe ausmacht, wobei eine neu erworbene Tochtergesellschaft der Garantin bis zum Ablauf von sechs Monaten ab Durchführung des Erwerbs nicht als Wesentliche Tochtergesellschaft gilt. Ein Bericht der Wirtschaftsprüfer der Garantin darüber, ob ihrer Meinung nach eine Tochtergesellschaft zu einem bestimmten Zeitpunkt eine Wesentliche Tochtergesellschaft ist oder war bzw. nicht ist oder nicht war, ist, sofern nicht ein offensichtlicher Irrtum vorliegt, für alle Beteiligten endgültig und bindend.**]**

§ 3
(INTEREST)

(1) Rate of Interest and Interest Payment Dates.

The Notes shall bear interest on their Specified Denomination at the rate of **[*Rate of Interest*]**% *per annum* from (and including) **[*Interest Commencement Date*]** to (but excluding) the Maturity Date (as defined in § 5(1)). Interest shall be payable in arrear on **[*Interest Payment Date(s)*]** in each year (each such date, an ***Interest Payment Date***). The first payment of interest shall be made on **[*First Interest Payment Date*] [*if the First Interest Payment Date is not the first anniversary of the Interest Commencement Date, the following applies*:** and will amount to **[*Initial Broken Amount per Specified Denomination*]** per Specified Denomination.**] [*If Maturity Date is not an Interest Payment Date, the following applies*:** Interest in respect of the period from (and including) **[*last Interest Payment Date preceding the Maturity Date*]** to (but excluding) the Maturity Date will amount to **[*Final Broken Amount per Specified Denomination*]** per Specified Denomination.**]**

(2) Accrual of Interest.

The Notes shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer for any reason fails to redeem the Notes when due, interest shall continue to accrue at the default

§ 3
(ZINSEN)

(1) Zinssatz und Zinszahlungstage.

Die Schuldverschreibungen werden bezogen auf ihre Festgelegte Stückelung verzinst, und zwar vom **[*Verzinsungsbeginn*]** (einschließlich) bis zum Fälligkeitstag (wie in § 5(1) definiert) (ausschließlich) mit jährlich **[*Zinssatz*]**%. Die Zinsen sind nachträglich am **[*Zinszahlungstag(e)*]** eines jeden Jahres zahlbar (jeweils ein ***Zinszahlungstag***). Die erste Zinszahlung erfolgt am **[*erster Zinszahlungstag*] [*sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, ist folgendes anwendbar:*** und beläuft sich auf **[*anfänglicher Bruchteilzinsbetrag je Festgelegte Stückelung*]** je Festgelegte Stückelung.**] [*Sofern der Fälligkeitstag kein Zinszahlungstag ist, ist folgendes anwendbar:*** Die Zinsen für den Zeitraum vom **[*letzter dem Fälligkeitstag vorausgehender Zinszahlungstag*]** (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf **[*abschließender Bruchteilzinsbetrag je Festgelegte Stückelung*]** je Festgelegte Stückelung.**]**

(2) Auflaufende Zinsen.

Der Zinslauf der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit aus irgendeinem Grund nicht zurückzahlt, wird der ausstehende Gesamtnennbetrag der Schuldverschreibungen von dem Tag der Fälligkeit (einschließlich) bis

rate of interest established by statutory law[6] on the outstanding aggregate principal amount of the Notes from (and including) the due date to (but excluding) the day on which such redemption payment is made to the Holders.

zum Tag der vollständigen Rückzahlung an die Gläubiger (ausschließlich) mit dem gesetzlich bestimmten Verzugszins[7] verzinst.

(3) Calculation of Interest for Periods other than a full Year.

If interest is to be calculated for a period other than a full year, it shall be calculated on the basis of the Day Count Fraction (as defined below). **[*If Actual/Actual (ICMA) is applicable, the following applies*:** The number of Interest Payment Dates per calendar year (each a ***Determination Date***) is **[*number of regular Interest Payment Dates per calendar year*]**.]**

(3) Berechnung der Zinsen für Zeiträume, die nicht einem vollen Jahr entsprechen.

Sofern Zinsen für einen Zeitraum, der nicht einem vollen Jahr entspricht, zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachfolgend definiert). **[*Falls Actual/Actual (ICMA) anwendbar ist, ist folgendes anwendbar:*** Die Anzahl der Zinszahlungstage im Kalenderjahr (jeweils ein ***Feststellungstermin***) beträgt **[*Anzahl der regulären Zinszahlungstage im Kalenderjahr*]**.]**

(4) Day Count Fraction.

Day Count Fraction means with regard to the calculation of the amount of interest on the Notes for any period of time (the ***Calculation Period***):

[*If Actual/Actual (ICMA) is applicable the following applies:*

(a) if the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in § 3(3)) that would occur in one calendar year; or

(b) if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, 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 Dates (as specified in § 3(3)) that would occur in one calendar 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

(4) Zinstagequotient.

Zinstagequotient bezeichnet im Hinblick auf die Berechnung von Zinsbeträgen auf die Schuldverschreibungen für einen beliebigen Zeitraum (der ***Zinsberechnungszeitraum***):

[*Falls Actual/Actual (ICMA) anwendbar ist, ist folgendes anwendbar:*

(a) wenn der Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieser Periode) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieser Periode) geteilt durch das Produkt (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Feststellungstermine (wie in § 3(3) angegeben) in einem Kalenderjahr; oder

(b) wenn der Zinsberechnungszeitraum länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt, die Summe aus (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Feststellungstermine (wie in § 3(3) angegeben) in einem Kalenderjahr und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt

[6] The default rate of interest established by statutory law is five percentage points above the basis rate of interest published by *Deutsche Bundesbank* from time to time, §§ 288 paragraph 1, 247 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*).

[7] Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Abs. 1, 247 Abs. 1 BGB.

of Determination Dates (as specified in § 3(3)) that would occur in one calendar year.

Determination Period means the period from (and including) a Determination Date to, (but excluding) the next Determination Date. For the purpose of determining the relevant Determination Period, **[*deemed Interest Payment Date(s)*]** shall **[**each**]** be deemed to be a Determination Date.**]**

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

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

durch das Produkt aus (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Feststellungstermine (wie in § 3(3) angegeben) in einem Kalenderjahr.

Feststellungsperiode ist die Periode ab einem Feststellungstermin (einschließlich desselben) bis zum nächsten Feststellungstermin (ausschließlich desselben). Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode ist **[*fiktive(r) Zinszahlungstag(e)*]** **[**jeweils**]** ein Feststellungstermin.**]**

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

[*Im Fall von 30E/360 oder Eurobond Basis, ist folgendes anwendbar:* die Anzahl der Tage im Zinsberechnungszeitraum, dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des Datums des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Fall des letzten Zinsberechnungszeitraums der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).**]**

§ 4
(PAYMENTS)

(1) Payment of Principal and Payment of Interest.

(a) Payment of principal in respect of the Notes shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

§ 4
(ZAHLUNGEN)

(1) Zahlungen auf Kapital und Zahlung von Zinsen.

(a) Zahlungen von Kapital auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes (2) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

(b) Payment of Interest on the Notes shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

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

(2) Manner of Payment.

Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) Discharge.

The Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or, as the case may be, the Guarantor**]** shall be discharged by payment to, or to the order of, the Clearing System.

(4) Payment Business Day.

If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder 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 any day (other than a Saturday or a Sunday) on which the Clearing System is operational

[*If relevant financial center(s) is applicable, the following applies:* and on which commercial banks and foreign exchange markets settle payments in **[*relevant financial center(s)*]] [*If T2 is applicable, the following applies:*** and all relevant parts of the real-time gross settlement system operated by the Eurosystem (T2), or any successor or replacement system are operational to forward the relevant payment**]**.

(5) References to Principal and Interest.

(b) Die Zahlung von Zinsen auf die Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes (2) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

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

(2) Zahlungsweise.

Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der Festgelegten Währung.

(3) Erfüllung.

Die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** bzw. die Garantin**]** wird durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(4) Zahltag.

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

Für diese Zwecke bezeichnet ***Zahltag*** einen Tag, (außer einem Samstag oder Sonntag), an dem das Clearingsystem betriebsbereit ist

[*Falls relevante(s) Finanzzentrum(en) anwendbar ist, ist folgendes anwendbar:* und an dem Geschäftsbanken und Devisenmärkte Zahlungen in **[*relevante(s) Finanzzentrum(en)*]** abwickeln**] [*Falls T2 anwendbar ist, ist folgendes anwendbar:*** und alle betroffenen Bereiche des Real-time Gross Settlement Systems, welches vom Eurosystem betrieben wird (T2), oder eines Nachfolge- oder Ersatzsystems betriebsbereit sind, um die betreffenden Zahlungen weiterzuleiten**]**.

(5) Bezugnahmen auf Kapital und Zinsen.

References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: **[*if the Notes are redeemable at the option of the Issuer (Call Redemption Amount), the following applies*:** the Call Redemption Amount of the Notes;**] [*if the Notes are redeemable at the option of the Issuer (Make-Whole), the following applies*:** the Make-Whole Amount of the Notes;**] [*If the Notes are subject to Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event the following applies:*** the Event Redemption Amount of the Notes;**] [*if the Notes are redeemable at the option of the Holder other than in case of a Put Event following a Change of Control the following applies*:** the Put Redemption Amount of the Notes;**]** and any premium and any other amounts which may be payable under or in respect of the Notes. References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7.

Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: **[*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)), ist folgendes anwendbar:*** den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen;**] [*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Make-Whole), ist folgendes anwendbar:*** den Make-Whole Betrag der Schuldverschreibungen;**] [*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig bei Eintritt eines Transaktions-Ereignisses zurückzuzahlen, ist folgendes anwendbar:*** den Ereignis-Rückzahlungsbetrag der Schuldverschreibungen;] **[*falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen, außer bei Vorliegen eines Rückzahlungsereignisses nach Eintritt eines Kontrollwechsels, vorzeitig zu kündigen, ist folgendes anwendbar:*** den Wahl-Rückzahlungsbetrag (Put) der Schuldverschreibungen;**]** sowie jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Emissionsbedingungen auf Zinsen auf die Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren Zusätzlichen Beträge einschließen.

(6) Deposit of Principal and Interest.

The Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or, as the case may be, the Guarantor**]** may deposit with the local court (*Amtsgericht*) in Frankfurt/Main principal or interest not claimed by Holders within 10 Payment Business Days after the relevant due date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

(6) Hinterlegung von Kapital und Zinsen.

Die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** bzw. die Garantin**]** ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von 10 Zahltagen nach dem betreffenden Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Gläubiger gegen die Emittentin.

§ 5
(REDEMPTION; PURCHASE AND CANCELLATION)

(1) Final Redemption.

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their principal amount on **[*Maturity Date*]** (the ***Maturity Date***).

§ 5
(RÜCKZAHLUNG; ANKAUF UND ENTWERTUNG)

(1) Rückzahlung bei Endfälligkeit.

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Nennbetrag am **[*Fälligkeitstag*]** (der ***Fälligkeitstag***) zurückgezahlt.

(2) Early Redemption for Reasons of Taxation.

If as a result of any change in, or amendment to, the laws or regulations of any Relevant Taxing Jurisdiction (as defined in § 7 herein) or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after the date on which the last tranche of this series of Notes was issued, the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor, as the case may be,**]** is required to pay Additional Amounts (as defined in § 7 herein) on the next succeeding Interest Payment Date (as defined in § 3(1)), and this obligation cannot be avoided by the use of reasonable measures available to the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor, as the case may be,**]** the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 12 to the Holders, at their principal amount, together with interest (if any) accrued to the date fixed for redemption (excluding).

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor**]** would be obligated to pay such Additional Amounts were a payment in respect of the Notes **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantee**]** then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

Any such notice shall be given in accordance with § 12. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

(2) Vorzeitige Rückzahlung aus steuerlichen Gründen.

Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht mehr als 60 und nicht weniger als 30 Tagen durch Erklärung gegenüber der Emissionsstelle und Benachrichtigung gemäß § 12 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrem Nennbetrag zuzüglich etwaiger bis zum für die Rückzahlung festgesetzten Tag (ausschließlich) aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften einer Relevanten Steuerjurisdiktion (wie in § 7 dieser Bedingungen definiert) oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird am oder nach dem Tag, an dem die letzte Tranche dieser Serie von Schuldverschreibungen begeben wird, wirksam) am nächstfolgenden Zinszahlungstag (wie in § 3(1) definiert) zur Zahlung von Zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen zumutbarer, der Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder der Garantin**]** zur Verfügung stehender Maßnahmen vermieden werden kann.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantie**]** dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erklärt wird, die Verpflichtung zur Zahlung von Zusätzlichen Beträgen nicht mehr wirksam ist.

Eine solche Kündigung ist gemäß § 12 bekanntzumachen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht

Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by an executive director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal or tax advisers of recognized standing to the effect that the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor, as the case may be,**]** has or will become obliged to pay such Additional Amounts as a result of such change or amendment.

der Emittentin begründenden Umständen darlegt.

Vor Bekanntgabe einer Mitteilung über eine Rückzahlung gemäß diesen Bestimmungen hat die Emittentin der Emissionsstelle eine von einem Mitglied der Geschäftsleitung der Emittentin unterzeichnete Bescheinigung zukommen zu lassen, der zufolge die Emittentin berechtigt ist, eine entsprechende Rückzahlung zu leisten, und in der nachvollziehbar dargelegt ist, dass die Bedingungen für das Recht der Emittentin zur Rückzahlung gemäß diesen Bestimmungen erfüllt sind; zusätzlich hat die Emittentin ein von unabhängigen und anerkannten Rechts- oder Steuerberatern erstelltes Gutachten vorzulegen, demzufolge die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** in Folge einer entsprechenden Änderung oder Ergänzung zur Zahlung Zusätzlicher Beträge verpflichtet ist oder sein wird.

[*If the Notes are subject to Early Redemption at the Option of the Issuer for Reasons of Minimal Outstanding Principal Amount, the following applies:*

(3) Early Redemption at the Option of the Issuer for Reasons of Minimal Outstanding Principal Amount.

If 80% or more in principal amount of the Notes then outstanding have been redeemed or purchased by the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:***, ZF Friedrichshafen AG**]** or any Subsidiary of ZF Friedrichshafen AG **[*if the Notes are subject to Early Redemption at the Option of the Issuer (Make-Whole), the following applies:*** (provided, however, that such threshold of 80% or more in principal amount of the Notes then outstanding has not been reached as a direct result of a redemption of some, but not all, of the Notes at the option of the Issuer (Make-whole) pursuant to § 5[(6)])], the Issuer may, on not less than 30 or more than 60 days' notice to the Holders of Notes redeem, at its option, the remaining Notes as a whole at their principal amount, together with interest (if any) accrued to the date fixed for redemption (excluding).**]**

[*Falls die Schuldverschreibungen nach Wahl der Emittentin bei geringfügig ausstehendem Nennbetrag vorzeitig kündbar sind, ist folgendes anwendbar:*

(3) Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringfügig ausstehendem Nennbetrag.

Wenn 80% oder mehr des Nennbetrags der dann ausstehenden Schuldverschreibungen durch die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:***, ZF Friedrichshafen AG**]** oder eine Tochtergesellschaft von ZF Friedrichshafen AG zurückgezahlt oder zurückerworben wurde **[*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Make-Whole), ist folgendes anwendbar:*** (vorausgesetzt dass die Erreichung dieser Schwelle von 80% oder mehr des Nennbetrags der dann ausstehenden Schuldverschreibungen nicht unmittelbar durch eine vorzeitige teilweise Rückzahlung der Schuldverschreibungen nach Wahl der Emittentin (Make-Whole) gemäß § 5[(6)] herbeigeführt wurde)], ist die Emittentin berechtigt, nach ihrer Wahl alle ausstehenden Schuldverschreibungen mit einer Frist von mindestens 30 und höchstens 60 Tagen gegenüber den Gläubigern zu kündigen und zum Nennbetrag zuzüglich etwaiger bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurück zu zahlen.**]**

**[*If the Holders may request the repurchase of the Notes in case of a Put Event following a Change of Control, the following applies:*

(4) Early Redemption at the Option of the Holders in case of a Put Event following a Change of Control.

(a) Publication of a Change of Control.

If a Change of Control occurs, the Issuer will give notice in accordance with § 12 of the Change of Control and the Record Date as soon as practicable after becoming aware thereof.

(b) Publication of a Put Event.

If a Put Event occurs, the Issuer will give notice of the Put Event and the Put Record Date specifying the nature of the Put Event within 21 days of the end of the Change of Control Period in accordance with § 12.

(c) Early Redemption at the Option of the Holders.

If the Issuer gives notice in accordance with § 5(4)(b) of a Put Event, each Holder may at his option on giving not less than 7 days' notice declare due all or only some of his Notes not previously redeemed with effect on the Put Record Date. In such case the Issuer will redeem such Notes on the Put Record Date at the Principal Amount plus interest accrued, if any, to (but excluding) the Put Record Date.

A notice of termination pursuant to this § 5(4)(c) is irrevocable and must be effected by delivering a notice in text form (§ 126b of the German Civil Code (*Bürgerliches Gesetzbuch*)) to the Fiscal Agent together with evidence by means of a certificate of the Custodian (as defined in § 15(4)) in accordance with § 15(4)(a) that such Holder at the time of such notice is the holder of the relevant Notes.

(d) Definitions.

**[*Falls die Gläubiger bei Vorliegen eines Rückzahlungsereignisses nach Eintritt eines Kontrollwechsels den Ankauf der Schuldverschreibungen verlangen können, ist folgendes anwendbar:*

(4) Vorzeitige Rückzahlung nach Wahl der Gläubiger bei Vorliegen eines Rückzahlungsereignisses nach Eintritt eines Kontrollwechsels.

(a) Veröffentlichung eines Kontrollwechsels.

Wenn ein Kontrollwechsel eintritt, wird die Emittentin sobald wie möglich, nachdem sie Kenntnis davon erhalten hat, den Kontrollwechsel und den Stichtag gemäß § 12 mitteilen.

(b) Veröffentlichung eines Rückzahlungsereignisses.

Wenn ein Rückzahlungsereignis eintritt, wird die Emittentin innerhalb von 21 Tagen nach Ablauf des Kontrollwechselzeitraums das Rückzahlungsereignis und den Rückzahlungsstichtag unter Angabe der Umstände des Rückzahlungsereignisses gemäß § 12 mitteilen.

(c) Vorzeitige Rückzahlung nach Wahl der Gläubiger.

Falls die Emittentin gemäß § 5(4)(b) ein Rückzahlungsereignis bekannt gemacht hat, ist jeder Gläubiger nach seiner Wahl berechtigt, mit einer Frist von mindestens 7 Tagen mit Wirkung zum Rückzahlungsstichtag alle oder einzelne seiner Schuldverschreibungen, die noch nicht zurückgezahlt wurden, vorzeitig fällig zu stellen. In einem solchen Fall hat die Emittentin die betreffenden Schuldverschreibungen am Rückzahlungsstichtag zu ihrem Nennbetrag zuzüglich etwaiger bis zum Rückzahlungsstichtag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

Eine Kündigung gemäß diesem § 5(4)(c) ist unwiderruflich und hat in Textform (§ 126b BGB) gegenüber der Emissionsstelle, zusammen mit dem Nachweis durch eine Bescheinigung der Depotbank (wie in § 15(4) definiert) gemäß § 15(4)(a), dass der betreffende Gläubiger im Zeitpunkt der Kündigung Inhaber der betreffenden Schuldverschreibung ist, zu erfolgen.

(d) Definitionen.

Record Date means the day on which the Change of Control occurred.

A ***Change of Control*** occurs if the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor**]** becomes aware that any Person or group of Persons acting in concert, other than the Zeppelin-Stiftung Friedrichshafen or any entity directly or indirectly controlled by the Zeppelin-Stiftung Friedrichshafen, has become the owner, directly or indirectly, of more than 50% of the voting shares of ZF Friedrichshafen AG.

Person means any individual or legal entity.

Acting in concert means "*gemeinsam handelnd*" within the meaning of § 2 paragraph 5 of the German Securities Acquisition and Take Over Act (*Wertpapiererwerbs- und Übernahmegesetz*).

A ***Put Event*** will occur if

(i) the Issuer announces a Change of Control; and

(ii) a Rating Decline occurs.

Rating Decline means that if, at the time of the occurrence of a Change of Control, ZF Friedrichshafen AG has been, from any Rating Agency it has solicited, (a) rated Investment Grade and such rating from any Rating Agency is, within the Change of Control Period, either downgraded to a non-investment grade rating or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded to Investment Grade by such Rating Agency or (in the case of withdrawal) replaced by an Investment Grade rating from any other Rating Agency; or (b) rated below Investment Grade and such rating from any Rating Agency is, within the Change of Control Period, downgraded by one or more gradations (including gradations within Rating Categories as well as between Rating Categories, but excluding, for the avoidance of doubt, any changes in the outlook) and is not within the Change of Control Period subsequently upgraded to its earlier credit rating or better by such Rating Agency, provided that if at the time of the occurrence of the Change of Control ZF Friedrichshafen AG or the Group carries a rating from more than one Rating Agency, at least one of which is Investment Grade, then sub-paragraph (a) will apply. In making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to ZF Friedrichshafen AG that such decision(s)

Stichtag bezeichnet den Tag, an dem der Kontrollwechsel eingetreten ist.

Ein ***Kontrollwechsel*** liegt vor, sobald die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** Kenntnis davon erlangt, dass eine Person oder eine Gruppe von gemeinsam handelnden Personen, jedoch mit Ausnahme der Zeppelin-Stiftung Friedrichshafen und jeder von der Zeppelin-Stiftung Friedrichshafen direkt oder indirekt beherrschten Person, direkt oder indirekt mehr als 50 % der stimmberechtigten Aktien der ZF Friedrichshafen AG erlangt.

Person bezeichnet jede natürliche oder juristische Person.

Gemeinsam handelnd bedeutet gemeinsam handelnd im Sinne von § 2 Abs. 5 des Wertpapiererwerbs- und Übernahmegesetzes (WpÜG).

Ein ***Rückzahlungsereignis*** tritt ein, wenn

(i) die Emittentin einen Kontrollwechsel bekannt macht; und

(ii) eine Ratingherabstufung eintritt.

Eine ***Ratingherabstufung*** liegt vor, falls die ZF Friedrichshafen AG bei Eintritt des Kontrollwechsels von einer Ratingagentur, bei der die ZF Friedrichshafen AG ein solches Rating beauftragt hat, (a) mit Investment Grade bewertet ist und dieses Rating von einer Ratingagentur innerhalb des Kontrollwechselzeitraums zu einem non-investment grade Rating herabgestuft oder das Rating zurückgezogen wurde und nicht innerhalb des Kontrollwechselzeitraums anschließend (im Falle einer Herabstufung) durch diese Ratingagentur wieder auf ein Investment Grade Rating heraufgestuft oder (im Falle eines Zurückziehens) durch das Investment Grade Rating einer anderen Ratingagentur ersetzt wurde; oder (b) unterhalb von Investment Grade bewertet ist und dieses Rating von einer Ratingagentur innerhalb des Kontrollwechselzeitraums um eine oder mehrere Stufen (einschließlich Untergliederungen innerhalb von sowie zwischen Ratingkategorien, nicht jedoch einer Änderung des Ausblicks) herabgestuft und nicht innerhalb des Kontrollwechselzeitraums anschließend wieder auf das ursprüngliche oder ein besseres Rating durch diese Ratingagentur heraufgestuft wurde; wobei, falls die ZF Friedrichshafen AG oder die Gruppe zum Zeitpunkt des Eintritts des Kontrollwechsels über ein Rating von mehr als einer Ratingagentur verfügen, von denen mindestens

resulted, in whole or in part, from the occurrence of the Change of Control.

eines ein Investment Grade Rating ist, Absatz (a) Anwendung findet; und im Zusammenhang mit einer der oben genannten Entscheidungen die betreffende Ratingagentur öffentlich bekannt macht oder gegenüber ZF Friedrichshafen AG schriftlich bestätigt, dass diese Entscheidung ganz oder teilweise auf den Kontrollwechsel zurückzuführen ist.

However, no Ratings Decline will occur if at the end of the Change of Control Period ZF Friedrichshafen AG has been rated Investment Grade by at least two Rating Agencies.

Eine Ratingherabstufung liegt jedoch nicht vor, falls die ZF Friedrichshafen AG am Ende des Kontrollwechselzeitraums von mindestens zwei Ratingagenturen mit Investment Grade bewertet wird.

If the rating designations employed by any of the Rating Agencies are changed, the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor**]** shall determine the rating designations of the Rating Agencies (as appropriate) as are most equivalent to the prior rating designations of the respective Rating Agencies. The term "Rating Decline" shall be construed accordingly.

Falls sich die von den Ratingagenturen verwendeten Ratingkategorien ändern sollten, wird die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** diejenigen Ratingkategorien der Ratingagenturen bestimmen, die den früheren Ratingkategorien der jeweiligen Ratingagenturen möglichst nahe kommen. Der Begriff "Ratingherabstufung" ist dann entsprechend auszulegen.

Change of Control Period means the period ending 90 days after the Record Date.

Kontrollwechselzeitraum bezeichnet die Periode, die 90 Tage nach dem Stichtag endet.

Rating Agency means each of Moody's Deutschland GmbH (***Moody's***) or S&P Global Ratings Europe Limited, a division of S&P Global Inc. (***S&P***) or Fitch Ratings Ltd (***Fitch***) or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by the Issuer.

Ratingagentur bezeichnet jeweils Moody's Deutschland GmbH (***Moody's***) oder S&P Global Ratings Europe Limited, eine Abteilung von S&P Global Inc. (***S&P***), oder Fitch Ratings Ltd (***Fitch***) oder deren entsprechende Nachfolger oder jede andere Ratingagentur mit entsprechendem internationalen Ansehen, die von der Emittentin benannt wird.

Investment Grade means a rating of (i) BBB- or higher by S&P and Fitch and (ii) Baa3 or higher by Moody's, or the equivalent of such ratings by S&P, Moody's or Fitch and the equivalent in respect of rating categories of any Rating Agencies substituted for S&P, Moody's or Fitch.

Investment Grade bezeichnet ein Rating von (i) BBB- oder höher im Fall von S&P und Fitch und (ii) Baa3 oder höher im Fall von Moody's, oder das entsprechende Äquivalent dieser Ratings im Fall von S&P, Moody's oder Fitch sowie das entsprechende Äquivalent in den Ratingkategorien einer anderen Ratingagentur, durch die S&P, Moody's oder Fitch ersetzt wurde.

Put Record Date means the Payment Business Day fixed by the Issuer pursuant to § 5(4)(b) which will be not less than 20 nor more than 30 days after the notice of the Put Event has been published in accordance with § 12.**]**

Rückzahlungsstichtag bezeichnet den von der Emittentin gemäß § 5(4)(b) festgelegten Geschäftstag, der nicht weniger als 20 und nicht mehr als 30 Tage nach dem Tag der Veröffentlichung des Rückzahlungsereignisses gemäß § 12 liegen darf.**]**

[*If the Notes are subject to Early Redemption at the Option of the Issuer (Call Redemption Amount), the following applies:*

[*Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)), ist folgendes anwendbar:*

[(5)] Early Redemption at the Option of the Issuer (Call Redemption Amount).

[(5)] Vorzeitige Rückzahlung nach Wahl der Emittentin (Wahl-Rückzahlungsbetrag (Call)).

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all or

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die

some only of the Notes within the Call Redemption Period(s) at the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the relevant redemption date.

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

[*If Notes are subject to Early Redemption at the Option of the Holder, the following applies:* The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under subparagraph **[**(8)**]** of this § 5.**]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 12. Such notice shall specify:

(i) the series of Notes subject to redemption;

(ii) whether such series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed;

(iii) the relevant redemption date, which shall be not less than 20 nor more than 40 days after the date on which notice is given by the Issuer to the Holders; and

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

(c) In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System. **[*In the case of Notes in NGN form, the following applies:*** For technical procedure of the ICSDs, in the case of a partial redemption the outstanding redemption amount will be reflected in the records of the ICSDs as either a reduction

Schuldverschreibungen insgesamt oder teilweise innerhalb des/der Wahl-Rückzahlungszeitraums/räume (Call) zum/zu den Wahl-Rückzahlungsbetrag/beträgen (Call), wie nachfolgend angegeben, nebst etwaigen bis zum maßgeblichen Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Wahl-Rück-zahlungszeitraum/räume (Call)	Wahl-Rück-zahlungsbetrag/beträge (Call)
[*Wahl-Rückzahlungs-zeitraum/räume*]	**[*Wahl-Rückzahlungs-betrag/beträge*]**
[●]	**[●]**
[●]	**[●]**

[*Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar*: Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach Absatz **[(8)**]** dieses § 5 verlangt hat.**]**

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 12 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurück-zuzahlenden Schuldverschreibungen;

(iii) den maßgeblichen Rückzahlungstag, der nicht weniger als 20 und nicht mehr als 40 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf; und

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

(c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearingsystems ausgewählt. **[*Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist folgendes anwendbar:*** Für das technische Verfahren

in nominal amount or as a pool factor, at the discretion of the ICSDs.**]]**

der ICSDs wird im Fall einer teilweisen Rückzahlung der entstehende Rückzahlungsbetrag entweder als reduzierter Nennbetrag oder als Poolfaktor nach Ermessen der ICSDs in das Register der ICSDs aufgenommen.**]]**

[*If the Notes are subject to Early Redemption at the Option of the Issuer (Make-Whole), the following applies:*

[*Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Make-Whole), ist folgendes anwendbar:*

[(6)] Early Redemption at the Option of the Issuer (Make-Whole).

[(6)] Vorzeitige Rückzahlung nach Wahl der Emittentin (Make-Whole).

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all or some only of the Notes at its option, at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued interest, if any, to (but excluding) the redemption date (each such redemption date, a ***Make-Whole Redemption Date***), plus the excess (if any) of:

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt oder teilweise nach ihrer Wahl zu einem Rückzahlungsbetrag von 100 % des Nennbetrags, nebst etwaigen bis zum maßgeblichen Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen (jeder solche Rückzahlungstag jeweils ein ***Make-Whole Rückzahlungstag***), zuzüglich des Betrages (sofern sich ein solcher ergibt), um den

(i) as determined by the Calculation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on the Notes being redeemed that would have been payable on any date during the period from (but excluding) the relevant Make-Whole Redemption Date to (and including) [***if the Notes are subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) and no other relevant date is specified in the applicable Final Terms, the following applies:*** (i) the first day of the Call Redemption Period or, in case of more than one Call Redemption Period, the first day of the Call Redemption Period next commencing after such Make-Whole Redemption Date (assuming for this purpose that the Notes would have been due for redemption on the first day of such Call Redemption Period pursuant to § 5[(5)], or (ii) if there is no Call Redemption Period commencing after such Make-Whole Redemption Date, the Maturity Date)] [***if the Notes are subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) and any other relevant date is specified in the applicable Final Terms, the following applies:*** [***other relevant date***] (assuming for this purpose that the Notes would have been due for

(i) die durch die Berechnungsstelle ermittelte Summe der Barwerte der verbleibenden planmäßigen Kapitalrückzahlungen und Zinszahlungen auf die zurückzuzahlenden Schuldverschreibungen, die an einem Tag zahlbar gewesen wären während des Zeitraums vom relevanten Make-Whole Rückzahlungstag (ausschließlich) bis zum [***falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)) und in den betreffenden Endgültigen Bedingungen kein anderer maßgeblicher Tag festgelegt ist, ist folgendes anwendbar:*** (i) ersten Tag des Rückzahlungszeitraums (Call) (einschließlich) bzw., im Fall mehrerer Rückzahlungszeiträume (Call) dem ersten Tag des nach dem Make-Whole Rückzahlugstag beginnenden Rückzahlungszeitraums (Call) (einschließlich) (wobei für diesen Zweck angenommen wird, dass die Schuldverschreibungen am ersten Tag eines solchen Rückzahlungszeitraums (Call) gemäß § 5[(5)] fällig geworden wären), oder (ii) falls es keinen nach dem Make-Whole Rückzahlungstag beginnenden Rückzahlungszeitraum (Call) gibt, zum Fälligkeitstag**] [*falls die Emittentin das Wahlrecht hat,***

redemption on such date pursuant to § 5[(5)])] [***if the Notes are not subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) the following applies:*** the Maturity Date], each discounted at the Benchmark Yield plus [***margin***]% to such Make-Whole Redemption Date by applying the Day Count Fraction set out in § 3(4), minus any interest accrued to but excluding such Make-Whole Redemption Date; over

die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)) und in den betreffenden Endgültigen Bedingungen ein anderer maßgeblicher Tag festgelegt, ist folgendes anwendbar: [***anderer maßgeblicher Tag***] (einschließlich)**]** [***falls die Emittentin kein Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, ist folgendes anwendbar:*** zum Fälligkeitstag (einschließlich)**]**, jeweils abgezinst auf diesen Make-Whole Rückzahlungstag unter Anwendung des in § 3(4) bestimmten Zinstagequotienten und auf Basis der Benchmark-Rendite zuzüglich [***Marge***]%, abzüglich jeglicher aufgelaufener Zinsen bis zum Make-Whole Rückzahlungstag (ausschließlich).

(ii) the principal amount of the Notes being redeemed

(ii) den Nennbetrag der zurückzuzahlenden Schuldverschreibungen übersteigt,

(the ***Make-Whole Amount*** in respect of such Make-Whole Redemption Date).

(der ***Make-Whole Betrag*** in Bezug auf den Make-Whole Rückzahlungstag) zurückzahlen.

Benchmark Yield means (i) the yield based upon the [Bundesbank Reference Price (*Bundesbank-Referenzpreis*)] [***other relevant reference price***] for the Benchmark Security in respect of the Redemption Calculation Date as appearing on the Redemption Calculation Date on the Screen Page in respect of the Benchmark Security, or (ii) if the Benchmark Yield cannot be so determined, the yield based upon the mid-market price for the Benchmark Security as appearing at [noon Frankfurt time] [***other relevant time***] on the Redemption Calculation Date on the Screen Page in respect of the Benchmark Security.

Die ***Benchmark-Rendite*** ist (i) die auf dem [Bundesbank-Referenzpreis] [***anderer maßgeblicher Referenzpreis***] der Referenzanleihe für den Rückzahlungs-Berechnungstag basierende Rendite, wie sie am Rückzahlungs-Berechnungstag auf der Bildschirmseite für die Referenzanleihe erscheint, oder, (ii) sollte die Benchmark-Rendite so nicht festgestellt werden können, die auf dem Mittelkurs der Referenzanleihe basierende Rendite, wie sie am Rückzahlungs-Berechnungstag um [12.00 Uhr (Frankfurter Zeit)] [***andere maßgebliche Uhrzeit***] auf der Bildschirmseite angezeigt wird.

Screen Page means Bloomberg [QR (using the pricing source "FRNK")] [***other relevant screen page***] (or any successor page or successor pricing source) for the Benchmark Security, or, if such Bloomberg page or pricing source is not available, such other page (if any) from such other information provider displaying substantially similar data as may be considered to be appropriate by the Calculation Agent.

Bildschirmseite ist Bloomberg [QR (unter Verwendung der Preisquelle "FRNK")] [***andere maßgebliche Bildschirmseite***] (oder jede Nachfolgeseite oder Nachfolge-Preisquelle) für die Referenzanleihe, oder, falls diese Bloomberg-Seite oder Preisquelle nicht verfügbar ist, eine andere Seite (falls vorhanden) eines Informationsanbieters, die weitgehend ähnliche Daten anzeigt, wie von der Berechnungsstelle für angemessen erachtet.

Benchmark Security means the **[*euro denominated benchmark debt security of the Federal Republic of Germany*] [*other***

Referenzanleihe ist die **[*Euro-Referenz-Anleihe der Bundesrepublik Deutschland*] [*andere Referenzanleihe*]**

relevant benchmark*]** due [maturity***], carrying ISIN [***ISIN of the reference bond used at pricing the Notes***], or, if such security is no longer outstanding on the Redemption Calculation Date, such substitute benchmark security selected by the Calculation Agent, in each case as having a maturity comparable to the remaining term of the Note to [***if the Notes are not subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) the following applies:*** the Maturity Date] [***if the Notes are subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) and no other relevant date is specified in the applicable Final Terms, the following applies:*** (i) the first day of the Call Redemption Period or, in case of more than one Call Redemption Period, the first day of the next Call Redemption Period following the Make-Whole Redemption Date, or (ii) if there is no Call Redemption Period commencing after the Make-Whole Redemption Date, the Maturity Date] [***if the Notes are subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) and any other relevant date is specified in the applicable Final Terms, the following applies:*** [***other relevant date***]], that (where relevant) 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 [***if the Notes are not subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) the following applies:*** the Maturity Date] [***if the Notes are subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) and no other relevant date is specified in the applicable Final Terms, the following applies:*** (i) the first day of the Call Redemption Period or, in case of more than one Call Redemption Period, the first day of the next Call Redemption Period following the Make-Whole Redemption Date, or (ii) if there is no Call Redemption Period commencing after the Make-Whole Redemption Date, the Maturity Date] [***if the Notes are subject to Early Redemption at the Option of the Issuer (Call Redemption Amount) and any other relevant date is specified in the applicable Final Terms, the following applies:*** [***other relevant date***]].

fällig [***Fälligkeitstermin***] mit ISIN [***ISIN der Referenzanleihe, die bei der Preisbestimmung der Schuldverschreibungen genannt wurde***] oder, falls diese Anleihe am Rückzahlungs-Berechnungstag nicht mehr aussteht, eine von der Berechnungsstelle ausgewählte ersetzende Referenzanleihe, jeweils mit einer Laufzeit, die mit der verbleibenden Restlaufzeit der Schuldverschreibung bis zum [***falls die Emittentin kein Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, ist folgendes anwendbar:*** Fälligkeitstag] [***falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)) und in den betreffenden Endgültigen Bedingungen kein anderer maßgeblicher Tag festgelegt ist, ist folgendes anwendbar:*** (i) ersten Tag des Rückzahlungszeitraums (Call) (einschließlich) bzw., im Fall mehrerer Rückzahlungszeiträume (Call) dem ersten Tag des nächsten Rückzahlungszeitraums (Call) nach dem Make-Whole Rückzahlungstag, oder (ii) falls es keinen nach dem Make-Whole Rückzahlungstag beginnenden Rückzahlungszeitraum (Call) gibt, zum Fälligkeitstag] **[*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)) und in den betreffenden Endgültigen Bedingungen ein anderer maßgeblicher Tag festgelegt, ist folgendes anwendbar:*** [***anderer maßgeblicher Tag***]**] vergleichbar ist, und die (wo relevant) im Zeitpunkt der Auswahlentscheidung und in Übereinstimmung mit der üblichen Finanzmarktpraxis zur Preisbestimmung bei Neuemissionen von Unternehmensanleihen mit einer bis zum [***falls die Emittentin kein Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, ist folgendes anwendbar:*** Fälligkeitstag] [***falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)) und in den betreffenden Endgültigen Bedingungen kein anderer maßgeblicher Tag festgelegt ist, ist folgendes anwendbar:*** (i) ersten Tag des Rückzahlungszeitraums (Call) (einschließlich) bzw., im Fall mehrerer Rückzahlungszeiträume (Call) dem ersten Tag des nächsten auf den Make-Whole Rückzahlungstag folgenden Rückzahlungszeitraums (Call), oder (ii)

falls es keinen nach dem Make-Whole Rückzahlungstag beginnenden Rückzahlungszeitraum (Call) gibt, zum Fälligkeitstag] **[*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)) und in den betreffenden Endgültigen Bedingungen ein anderer maßgeblicher Tag festgelegt, ist folgendes anwendbar:* [*anderer maßgeblicher Tag*]**]** der Schuldverschreibung vergleichbaren Laufzeit verwendet würde.

Redemption Calculation Date means, in respect of any Make-Whole Redemption Date, the sixth Payment Business Day prior to such Make-Whole Redemption Date.

Rückzahlungs-Berechnungstag ist, in Bezug auf jeden Make-Whole Rückzahlungstag, der sechste Zahltag vor einem solchen Make-Whole Rückzahlungstag.

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 12. Such notice shall specify:

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 12 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

(i) the series of Notes subject to redemption;

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(ii) whether such series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed; and

(ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurück-zuzahlenden Schuldverschreibungen; und

(iii) the relevant redemption date, which shall be not less than 20 nor more than 40 days after the date on which notice is given by the Issuer to the Holders.

(iii) den maßgeblichen Rückzahlungstag, der nicht weniger als 20 und nicht mehr als 40 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf.

(c) In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System. **[*In the case of Notes in NGN form, the following applies:*** For technical procedure of the ICSDs, in the case of a partial redemption the outstanding redemption amount will be reflected in the records of the ICSDs as either a reduction in nominal amount or as a pool factor, at the discretion of the ICSDs.**]]**

(c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearingsystems ausgewählt. **[*Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist folgendes anwendbar:*** Für das technische Verfahren der ICSDs wird im Fall einer teilweisen Rückzahlung der entstehende Rückzahlungsbetrag entweder als reduzierter Nennbetrag oder als Poolfaktor nach Ermessen der ICSDs in das Register der ICSDs aufgenommen.**]]**

[*If the Notes are subject to Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event the following applies:*

[*Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig bei Eintritt eines Transaktions-Ereignisses zurückzuzahlen, ist folgendes anwendbar:*

[(7)] Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event.

(a) Upon the occurrence of a Transaction Trigger Event, the Issuer may, upon notice given in accordance with clause (b), redeem all of the Notes on the Event Redemption Date at the Event Redemption Amount together with interest (if any) to the Event Redemption Date (excluding).

The Issuer may waive its right to call the Notes for redemption based on a Transaction Trigger Event by giving notice in accordance with § 12.

[*If the Notes are subject to Early Redemption at the Option of the Holder the following applies:* The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under § 5**[**(8)**].]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 12. Such notice shall specify:

(i) the series of Notes subject to redemption;

(ii) the Event Redemption Date, which shall be not less than 30 days nor more than 60 days after the date on which notice of the occurrence of the Transaction Trigger Event is given by the Issuer to the Holders; and

(iii) the Event Redemption Amount at which such Notes are to be redeemed.

(c) Whereby:

Event Redemption Amount means [***insert amount per Note***].

Event Redemption Date means the date fixed for redemption of the Notes pursuant to § 5 [(7)] (b).

Transaction means [***insert description of envisaged acquisition transaction for***

[(7)] Vorzeitige Rückzahlung nach Wahl der Emittentin bei Eintritt eines Transaktions-Ereignisses.

(a) Die Emittentin kann, nachdem ein Transaktions-Ereignis aufgetreten ist und sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt an dem Ereignis-Rückzahlungstag zum Ereignis-Rückzahlungsbetrag, wie nachfolgend angegeben, nebst etwaigen bis zum Ereignis-Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Die Emittentin kann auf ihr Recht zur vorzeitigen Kündigung der Schuldverschreibungen aufgrund eines Transaktions-Ereignisses durch Bekanntmachung gemäß § 12 verzichten.

[*Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar:* Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach § 5[(8)] verlangt hat.]

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 12 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(ii) den Ereignis-Rückzahlungstag, der nicht weniger als 30 Tage und nicht mehr als 60 Tage nach dem Tag der Mitteilung des Eintritts eines Transaktions-Ereignisses durch die Emittentin gegenüber den Gläubigern liegen darf; und

(iii) den Ereignis-Rückzahlungsbetrag, zu dem die Schuldverschreibungen zurückgezahlt werden.

(c) Dabei gilt:

Ereignis-Rückzahlungsbetrag bezeichnet **[*Betrag pro Schuldverschreibung einfügen*]**.

Ereignis-Rückzahlungstag bezeichnet den Tag, der für die Rückzahlung der Schuldverschreibungen gemäß § 5 **[**(7)**]** (b) festgesetzt wurde.

Transaktion bezeichnet **[*Beschreibung der geplanten Akquisitionstransaktion, für deren Finanzierung die***

which the Notes are intended to be issued for refinancing purposes].

Transaction Trigger Event means a notice given by the Issuer to the Holders [***in the case of a Transaction Trigger Cut-off Date insert:*** on or prior to [***Transaction Trigger Cut-off Date***]] in accordance with § 12 that the Transaction has been terminated prior to completion and the Issuer has publicly stated that it no longer intends to pursue the Transaction.]

[*If the Notes are subject to Early Redemption at the Option of the Holder the following applies:*

[(8)] Early Redemption at the Option of a Holder.

(a) The Issuer shall, at the option of the Holder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

Put Redemption Date(s)	Put Redemption Amount(s)
[*Put Redemption Date(s)*]	**[*Put Redemption Amount(s)*]**
[●]	**[●]**
[●]	**[●]**

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of any of its options to redeem such Note under this § 5.

(b) In order to exercise such option, the Holder must, not less than **[*Minimum Notice to Issuer*]** nor more than **[*Maximum Notice to Issuer*]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Redemption Notice (as defined below), submit during normal business hours at the specified office of the Fiscal Agent a duly completed early redemption notice (***Put Redemption Notice***) in the form available from the specified offices of the Fiscal Agent and the Paying Agent. The Put Redemption 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

Schuldverschreibungen begeben werden].

Transaktions-Ereignis bezeichnet die Mitteilung der Emittentin **[*Im Fall eines Transaktions-Stichtages, einfügen:*** an oder vor dem **[*Transaktions-Stichtag*]]** an die Gläubiger gemäß § 12, dass die Transaktion vor ihrem Abschluss abgebrochen wurde und die Emittentin öffentlich erklärt hat, dass sie nicht länger beabsichtigt, die Transaktion zu verfolgen.**]**

[*Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar:*

[(8)] Vorzeitige Rückzahlung nach Wahl des Gläubigers.

(a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger am/an den Wahl-Rückzahlungstag(en) (Put) zum/zu dem/den Wahl-Rückzahlungsbetrag/beträgen (Put), wie nachfolgend angegeben nebst etwaigen bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

Wahl-Rückzahlungstag(e) (Put)	Wahl-Rückzahlungsbetrag/beträge (Put)
[*Wahl- Rückzahlungstag(e)*]	**[*Wahl-Rückzahlungsbetrag/beträge*]**
[●]	**[●]**
[●]	**[●]**

Dem Gläubiger steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung die Emittentin zuvor in Ausübung eines ihrer Wahlrechte nach diesem § 5 verlangt hat.

(b) Um dieses Wahlrecht auszuüben, hat der Gläubiger nicht weniger als **[*Mindestkündigungsfrist*]** und nicht mehr als **[*Höchstkündigungsfrist*]** Tage vor dem Wahl-Rückzahlungstag (Put), an dem die Rückzahlung gemäß der Rückzahlungs-Ausübungserklärung (wie nachfolgend definiert) erfolgen soll, der bezeichneten Geschäftsstelle der Emissionsstelle während der normalen Geschäftszeiten eine ordnungsgemäß ausgefüllte Mitteilung zur vorzeitigen Rückzahlung (die ***Rückzahlungs-Ausübungserklärung***), wie sie bei den bezeichneten Geschäftsstellen der Emissionsstelle und der Zahlstelle erhältlich ist, zu übermitteln. Die

Notes, if any. No option so exercised may be revoked or withdrawn. 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.**]**

Rückzahlungs-Ausübungserklärung hat anzugeben: (i) den Nennbetrag der Schuldverschreibungen, für die das Wahlrecht ausgeübt wird und (ii) die Wertpapier-Kenn-Nummer dieser Schuldverschreibungen (soweit vergeben). Die Ausübung des Wahlrechts kann nicht widerrufen werden. Die Rückzahlung der Schuldverschreibungen, für welche das Wahlrecht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder deren Order.**]**

(9) Purchase

Subject to applicable laws, the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** , the Guarantor**]** or any Subsidiary may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

(9) Ankauf

Die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** , die Garantin**]** oder eine Tochtergesellschaft können, soweit gesetzlich zulässig, jederzeit Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.

§ 6
(THE FISCAL AGENT[,] [AND] THE PAYING AGENT [AND THE CALCULATION AGENT])

(1) Appointment; Specified Office.

The initial fiscal agent (the ***Fiscal Agent***) and the initial paying agent (the ***Paying Agent***) and its initial specified office shall be:

Deutsche Bank Aktiengesellschaft
Trust & Agency Services
Taunusanlage 12
60325 Frankfurt am Main
Germany

[*If the Notes are subject to Early Redemption at the Option of the Issuer (Make-Whole), the following shall apply:*

The initial calculation agent (the ***Calculation Agent***) and its initial specified office shall be:

[Conv-Ex Advisors Limited
80 Coleman Street
London EC2R 5BJ
United Kingdom]

[●]]

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

§ 6
(DIE EMISSIONSSTELLE[,] [UND] DIE ZAHLSTELLE [UND DIE BERECHNUNGSSTELLE])

(1) Bestellung; bezeichnete Geschäftsstelle.

Die anfänglich bestellte Emissionsstelle (die ***Emissionsstelle***) und die anfänglich bestellte Zahlstelle (die ***Zahlstelle***) und ihre bezeichnete Geschäftsstelle lautet wie folgt:

Deutsche Bank Aktiengesellschaft
Trust & Agency Services
Taunusanlage 12
60325 Frankfurt am Main
Deutschland

[*Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Make-Whole), ist folgendes anwendbar:*

Die anfänglich bestellte Berechnungsstelle (die ***Berechnungsstelle***) und ihre bezeichnete Geschäftsstelle lautet wie folgt:

[Conv-Ex Advisors Limited
80 Coleman Street
London EC2R 5BJ
Vereinigtes Königreich]

[●]]

Die Emissionsstelle[,] [und] die Zahlstelle [und die Berechnungsstelle] behalten sich das Recht vor, jederzeit ihre jeweiligen bezeichneten

to some other specified office in the same country.

(2) Variation or Termination of Appointment.

The Issuer reserves the right to vary or terminate the appointment of the Fiscal Agent or any Paying Agent [or the Calculation Agent] at any time and to appoint another Fiscal Agent or additional or other Paying Agents [or another Calculation Agent]. The Issuer shall at all times maintain (i) a Fiscal Agent **[*in the case of Notes listed on a stock exchange the following applies*: [,] [**and**]** (ii) so long as the Notes are listed on the **[*name of Stock Exchange*]**, a Paying Agent (which may be the Fiscal Agent) with a specified office in **[*location of Stock Exchange*]** and/or in such other place as may be required by the rules of such stock exchange**] [,] [**and**]** [(iii)] a Paying Agent in an EU Member State, if possible, that will not be obliged to withhold or deduct tax in connection with any payment made in relation to the Notes unless the Paying Agent would be so obliged in each other EU Member State if it were located there, **[*if the Notes are subject to Early Redemption at the Option of the Issuer (Make-Whole), the following shall apply:* [,][**and**] [**(iv)**]** a Calculation Agent**] [*in the case of payments in United States dollar the following applies*: and [**(v)**]** if payments at or through the offices of all Paying Agents outside the United States (as defined in § 1(6)) 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 United States dollar, a Paying Agent with a specified office in New York City**]**. Any variation, termination, appointment or other change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 12.

(3) Agent of the Issuer.

The Fiscal Agent[,] **[**and**]** the Paying Agent **[**and the Calculation Agent**]** act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

Geschäftsstellen durch eine andere bezeichnete Geschäftsstelle in demselben Land zu ersetzen.

(2) Änderung der Bestellung oder Abberufung.

Die Emittentin behält sich das Recht vor, die Bestellung der Emissionsstelle oder einer Zahlstelle [oder der Berechnungsstelle] jederzeit zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Zahlstellen [oder eine andere Berechnungsstelle] zu bestellen. Die Emittentin wird zu jedem Zeitpunkt (i) eine Emissionsstelle unterhalten **[*im Fall von Schuldverschreibungen, die an einer Börse notiert sind, ist folgendes anwendbar*:[,] [**und**]** (ii) solange die Schuldverschreibungen an der **[*Name der Börse*]** notiert sind, eine Zahlstelle (die die Emissionsstelle sein kann) mit bezeichneter Geschäftsstelle in **[*Sitz der Börse*]** und/oder an solchen anderen Orten unterhalten, die die Regeln dieser Börse verlangen**] [,] [**und**]** [(iii)] eine Zahlstelle in einem Mitgliedsstaat der Europäischen Union, sofern dies möglich ist, unterhalten, die nicht zum Einbehalt oder Abzug von Quellensteuern oder sonstigen Abzügen verpflichtet ist, es sei denn, dass eine solche Einbehalts- oder Abzugspflicht auch in allen anderen Mitgliedsstaaten der Europäischen Union bestünde **[*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Make-Whole), ist folgendes anwendbar:* [,][**und**] [**(iv)**]** eine Berechnungsstelle unterhalten**] [*im Fall von Zahlungen in US-Dollar ist folgendes anwendbar*: und [**(v)**]** falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 1(6) definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City unterhalten**]**. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 12 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) Erfüllungsgehilfe(n) der Emittentin.

Die Emissionsstelle[,] [und] die Zahlstelle [und die Berechnungsstelle] handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein

Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

§ 7
(TAXATION)

**[*In the case of Notes issued by ZF Friedrichshafen AG, the following applies:*

All payments of principal and interest made by the Issuer in respect of the Notes to the Holders shall be made free and clear of, and without withholding or deduction for, any present or future taxes or duties of whatever nature imposed or levied by way of deduction or withholding by or on behalf of (1) the Federal Republic of Germany or any authority therein or thereof having power to tax, (2) any jurisdiction from or through which payment on the Notes is made, or any political subdivision or governmental authority thereof or therein having the power to tax and/or (3) any other jurisdiction in which the payor is organized or otherwise considered to be resident or doing business for tax purposes, or any political subdivision or governmental authority thereof or therein having the power to tax (each a ***Relevant Taxing Jurisdiction***), unless such deduction or withholding is required by law. In that event the Issuer shall pay such additional amounts (the ***Additional Amounts***) as shall result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to:

(a) taxes or duties which are payable by any Person acting as custodian bank or collecting agent on behalf of a Holder, 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) payments that would not have been so imposed but for the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or a person having a power over, such Holder) and any Relevant Taxing Jurisdiction including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, member, shareholder or person having such a power) being or having been a

§ 7
(STEUERN)

**[*Im Fall von Schuldverschreibungen, die von ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*

Alle in Bezug auf die Schuldverschreibungen von der Emittentin an die Gläubiger zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug an der Quelle für oder wegen gegenwärtiger oder zukünftiger Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen (1) der Bundesrepublik Deutschland oder einer dort zur Steuererhebung ermächtigten Behörde, (2) einer Rechtsordnung, aus der bzw. über die eine Zahlung auf die Schuldverschreibungen geleistet wird, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde, und/oder (3) einer anderen Rechtsordnung, in der die zahlende Partei errichtet ist oder anderweitig als gebietsansässig gilt oder im steuerlichen Sinn geschäftlich tätig ist, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde (jeweils eine ***Relevante Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (***Zusätzliche Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären; jedoch sind solche Zusätzlichen Beträge nicht zu zahlen in Bezug auf:

(a) Steuern oder Abgaben, die von einer als Depotbank oder Inkassobeauftragter eines Gläubigers handelnden Person oder auf eine sonstige Weise zu entrichten sind, die keinen Abzug oder Einbehalt von Zahlungen von Kapital oder Zinsen durch die Emittentin darstellen; oder

(b) Zahlungen, die nicht erhoben worden wären, wenn nicht eine gegenwärtige oder ehemalige Beziehung zwischen dem betreffenden Gläubiger (oder einem Treuhänder, Treugeber, Begünstigten, Mitglied oder Gesellschafter dieses Gläubigers oder einer Person, die beherrschenden Einfluss auf diesen Gläubiger hat) und einer Relevanten Steuerjurisdiktion bestehen würde, unter anderem in der Form, dass der betreffende

citizen or resident or treated as a resident of, being or having been engaged in a trade or business in, or having or having had a permanent establishment in, a Relevant Taxing Jurisdiction other than any connections arising solely from a Holder acquiring, holding or disposing of, receiving any payment under or with respect to or enforcing a Note; or

Gläubiger (bzw. Treuhänder, Treugeber, Begünstigte, Mitglied, Gesellschafter oder die Person, die solchen Einfluss hat) Staatsbürger einer Relevanten Steuerjurisdiktion ist oder war oder dort ansässig ist oder war oder als dort ansässig gilt oder galt oder dort ein Gewerbe oder eine Geschäftstätigkeit betreibt oder betrieben hat oder dort eine Betriebsstätte unterhält oder unterhalten hat, mit Ausnahme von Beziehungen, die allein dadurch entstehen, dass ein Gläubiger eine Schuldverschreibung erwirbt, hält oder veräußert bzw. eine Zahlung darunter oder in Bezug auf diese erhält oder Ansprüche darauf geltend macht; oder

(c) payments to, or to a third party on behalf of, a Holder where no such withholding or deduction would have been required to be made if the Notes were credited at the time of payment to a securities deposit account with a bank, financial services institution, securities trading business or securities trading bank, in each case outside the Relevant Taxing Jurisdiction; or

(c) Zahlungen an den Gläubiger oder an einen Dritten für den Gläubiger, falls kein Einbehalt oder Abzug hätte erfolgen müssen, wenn die Schuldverschreibung zum Zeitpunkt der fraglichen Zahlung einem Depotkonto bei einer bzw. einem nicht in der Relevanten Steuerjurisdiktion ansässigen Bank, Finanzdienstleistungsinstitut, Wertpapierhandelsunternehmen oder Wertpapierhandelsbank gutgeschrieben gewesen wäre; oder

(d) payments where such withholding or deduction is imposed pursuant to (i) any European Union Directive or Regulation concerning the taxation of savings, or (ii) any international treaty or understanding relating to such taxation and to which the Relevant Taxing Jurisdiction or the European Union is a party/are parties, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or (iv) the Luxembourg law of December 23, 2005; or

(d) falls der Einbehalt oder Abzug gemäß (i) einer Richtlinie oder Verordnung der Europäischen Union zur Zinsbesteuerung oder (ii) einem internationalen Abkommen oder Übereinkommen zu einer solchen Besteuerung, bei dem die Relevante Steuerjurisdiktion oder die Europäische Union Parteien sind, oder (iii) einem diese Richtlinie oder Verordnung oder dieses Abkommen oder Übereinkommen umsetzenden oder sie befolgenden oder zu ihrer Befolgung erlassenen Gesetz, oder (iv) dem Luxemburger Gesetz vom 23. Dezember 2005 erhoben wird; oder

(e) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who could lawfully mitigate (but has not so mitigated) such withholding or deduction by complying or procuring that any third party complies with any statutory requirements or by making or procuring that a third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the payment is effected; or

(e) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger zahlbar ist, der einen solchen Einbehalt oder Abzug dadurch rechtmäßigerweise hätte vermindern können (aber nicht vermindert hat), dass er gesetzliche Vorschriften beachtet, oder dafür sorgt, dass Dritte dieses tun, oder dadurch dass er eine Nichtansässigkeitserklärung oder einen ähnlichen Antrag auf Quellensteuerbefreiung gegenüber der am Zahlungsort zuständigen Steuerbehörde abgibt oder dafür sorgt, dass dies durch einen Dritten erfolgt, oder

(f) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who would have been able to mitigate such withholding or deduction by effecting a payment via another paying agent in a Member State of the European Union not obliged to withhold or deduct tax; or

(f) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger vorzunehmen ist, der einen solchen Einbehalt oder Abzug durch die Bewirkung einer Zahlung über eine andere Zahlstelle in einem Mitgliedsstaat der Europäischen Union, welche nicht zu einem solchen Einbehalt oder Abzug verpflichtet ist, hätte vermindern können; oder

(g) payments to the extent such withholding or deduction is for or on account of the presentation by the Holder of any Note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or

(g) soweit der Einbehalt oder Abzug für einen Gläubiger oder dessen Rechnung vorzunehmen ist, der Schuldverschreibungen mehr als 30 Tage nach dem Tag, an dem eine Zahlung unter den Schuldverschreibungen fällig und zahlbar wurde bzw., soweit dies später eintritt, nach dem Tag, an dem die Zahlung ordnungsgemäß vorgenommen wurde, vorgelegt hat; oder

(h) payments to the extent such withholding or deduction is required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Internal Revenue Code***), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Internal Revenue Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Internal Revenue Code; or

(h) soweit der Einbehalt oder Abzug gemäß §§ 1471 bis 1474 des U.S. Internal Revenue Code von 1986 in seiner jeweils gültigen Fassung (der ***Internal Revenue Code***), jeder gegenwärtigen oder zukünftigen Verordnung oder offiziellen Auslegung davon, jeder Vereinbarung, die gemäß § 1471(b) des Internal Revenue Codes eingegangen wurde oder jeder steuerlichen oder regulatorischen Gesetzgebung, sowie steuerlichen und regulatorischen Gesetzen oder Vorgehensweisen, die nach einem zwischenstaatlichen Vertrag, der zur Umsetzung der Bestimmungen des Internal Revenue Codes geschlossen wurde, vorzunehmen ist; oder

(i) any combination of items (a)-(h);

(i) jegliche Kombination der Absätze (a)-(h).

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction(s) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.**]**

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer erhält, soweit nach den Gesetzen der Relevanten Steuerjurisdiktion(en) eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder dem Gesellschafter der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer unmittelbarer Gläubiger der Schuldverschreibungen wäre.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

All payments of principal and interest made by the Issuer in respect of the Notes to the Holders shall be made free and clear of, and without withholding or deduction for, any present or future taxes or duties of whatever nature imposed or levied by way of deduction or withholding by or on behalf of (1) the Federal Republic of Germany **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Kingdom of The Netherlands**]** or any authority therein or thereof having power to tax, (2) any jurisdiction from or through which payment on the Notes or the Guarantee is made, or any political subdivision or governmental authority thereof or therein having the power to tax and/or (3) any other jurisdiction in which the payor is organized or otherwise considered to be resident or doing business for tax purposes, or any political subdivision or governmental authority thereof or therein having the power to tax (each a ***Relevant Taxing Jurisdiction***), unless such deduction or withholding is required by law. In that event the Issuer shall pay such additional amounts (the ***Additional Amounts***) as shall result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to

(a) taxes or duties which are payable by any Person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer or the Guarantor, as applicable, from payments of principal or interest made by it; or

(b) payments that would not have been so imposed but for the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or a person having a power over, such Holder) and any Relevant Taxing Jurisdiction including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, member, shareholder or person having such a power) being or having been a citizen or resident or treated as a resident

[*Im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*

Alle in Bezug auf die Schuldverschreibungen von der Emittentin an die Gläubiger zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug an der Quelle für oder wegen gegenwärtiger oder zukünftiger Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen (1) der Bundesrepublik Deutschland **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V., ist folgendes anwendbar:*** oder des Königreichs der Niederlande**]** oder einer dort zur Steuererhebung ermächtigten Behörde, (2) einer Rechtsordnung, aus der bzw. über die eine Zahlung auf die Schuldverschreibungen oder die Garantie geleistet wird, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde, und/oder (3) einer anderen Rechtsordnung, in der die zahlende Partei errichtet ist oder anderweitig als gebietsansässig gilt oder im steuerlichen Sinn geschäftlich tätig ist, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde (jeweils eine ***Relevante Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (***Zusätzliche Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären; jedoch sind solche Zusätzlichen Beträge nicht zu zahlen in Bezug auf:

(a) Steuern oder Abgaben, die von einer als Depotbank oder Inkassobeauftragter eines Gläubigers handelnden Person oder auf eine sonstige Weise zu entrichten sind, die keinen Abzug oder Einbehalt von Zahlungen von Kapital oder Zinsen durch die Emittentin bzw. die Garantin darstellen; oder

(b) Zahlungen, die nicht erhoben worden wären, wenn nicht eine gegenwärtige oder ehemalige Beziehung zwischen dem betreffenden Gläubiger (oder einem Treuhänder, Treugeber, Begünstigten, Mitglied oder Gesellschafter dieses Gläubigers oder einer Person, die beherrschenden Einfluss auf diesen Gläubiger hat) und einer Relevanten Steuerjurisdiktion bestehen würde, unter anderem in der Form, dass der betreffende Gläubiger (bzw. Treuhänder, Treugeber,

of, being or having been engaged in a trade or business in, or having or having had a permanent establishment in, a Relevant Taxing Jurisdiction other than any connections arising solely from a Holder acquiring, holding or disposing of, receiving any payment under or with respect to or enforcing a Note or the Guarantee; or

Begünstigte, Mitglied, Gesellschafter oder die Person, die solchen Einfluss hat) Staatsbürger einer Relevanten Steuerjurisdiktion ist oder war oder dort ansässig ist oder war oder als dort ansässig gilt oder galt oder dort ein Gewerbe oder eine Geschäftstätigkeit betreibt oder betrieben hat oder dort eine Betriebsstätte unterhält oder unterhalten hat, mit Ausnahme von Beziehungen, die allein dadurch entstehen, dass ein Gläubiger eine Schuldverschreibung oder Ansprüche aus der Garantie erwirbt, hält oder veräußert bzw. eine Zahlung darunter oder in Bezug auf diese erhält oder Ansprüche darauf geltend macht; oder

(c) payments to, or to a third party on behalf of, a Holder where no such withholding or deduction would have been required to be made if the Notes were credited at the time of payment to a securities deposit account with a bank, financial services institution, securities trading business or securities trading bank, in each case outside the Relevant Taxing Jurisdiction; or

(c) Zahlungen an den Gläubiger oder an einen Dritten für den Gläubiger, falls kein Einbehalt oder Abzug hätte erfolgen müssen, wenn die Schuldverschreibung zum Zeitpunkt der fraglichen Zahlung einem Depotkonto bei einer bzw. einem nicht in der Relevanten Steuerjurisdiktion ansässigen Bank, Finanzdienstleistungs-institut, Wertpapierhandelsunternehmen oder Wertpapierhandelsbank gutgeschrieben gewesen wäre; oder

(d) payments where such withholding or deduction is imposed pursuant to (i) any European Union Directive or Regulation concerning the taxation of savings, or (ii) any international treaty or understanding relating to such taxation and to which the Relevant Taxing Jurisdiction or the European Union is a party/are parties, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or (iv) the Luxembourg law of December 23, 2005; or

(d) falls der Einbehalt oder Abzug gemäß (i) einer Richtlinie oder Verordnung der Europäischen Union zur Zinsbesteuerung oder (ii) einem internationalen Abkommen oder Übereinkommen zu einer solchen Besteuerung, bei dem die Relevante Steuerjurisdiktion oder die Europäische Union Parteien sind, oder (iii) einem diese Richtlinie oder Verordnung oder dieses Abkommen oder Übereinkommen umsetzenden oder sie befolgenden oder zu ihrer Befolgung erlassenen Gesetz, oder (iv) dem Luxemburger Gesetz vom 23. Dezember 2005 erhoben wird; oder

(e) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who could lawfully mitigate (but has not so mitigated) such withholding or deduction by complying or procuring that any third party complies with any statutory requirements or by making or procuring that a third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the payment is effected; or

(e) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger zahlbar ist, der einen solchen Einbehalt oder Abzug dadurch rechtmäßigerweise hätte vermindern können (aber nicht vermindert hat), dass er gesetzliche Vorschriften beachtet, oder dafür sorgt, dass Dritte dieses tun, oder dadurch dass er eine Nicht-ansässigkeitserklärung oder einen ähnlichen Antrag auf Quellensteuer-befreiung gegenüber der am Zahlungsort zuständigen Steuerbehörde abgibt oder dafür sorgt, dass dies durch einen Dritten erfolgt, oder

(f) payments to the extent such withholding or deduction is payable by or on behalf of a

(f) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den

Holder who would have been able to mitigate such withholding or deduction by effecting a payment via another paying agent in a Member State of the European Union not obliged to withhold or deduct tax; or

Gläubiger vorzunehmen ist, der einen solchen Einbehalt oder Abzug durch die Bewirkung einer Zahlung über eine andere Zahlstelle in einem Mitgliedsstaat der Europäischen Union, welche nicht zu einem solchen Einbehalt oder Abzug verpflichtet ist, hätte vermindern können; oder

(g) payments to the extent such withholding or deduction is for or on account of the presentation by the Holder of any Note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or

(g) soweit der Einbehalt oder Abzug für einen Gläubiger oder dessen Rechnung vorzunehmen ist, der Schuldverschreibungen mehr als 30 Tage nach dem Tag, an dem eine Zahlung unter den Schuldverschreibungen fällig und zahlbar wurde bzw., soweit dies später eintritt, nach dem Tag, an dem die Zahlung ordnungsgemäß vorgenommen wurde, vorgelegt hat; oder

(h) payments to the extent such withholding or deduction is required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Internal Revenue Code***), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Internal Revenue Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Internal Revenue Code; or

(h) soweit der Einbehalt oder Abzug gemäß §§ 1471 bis 1474 des U.S. Internal Revenue Code von 1986 in seiner jeweils gültigen Fassung (der ***Internal Revenue Code***), jeder gegenwärtigen oder zukünftigen Verordnung oder offiziellen Auslegung davon, jeder Vereinbarung, die gemäß § 1471(b) des Internal Revenue Codes eingegangen wurde oder jeder steuerlichen oder regulatorischen Gesetzgebung, sowie steuerlichen und regulatorischen Gesetzen oder Vorgehensweisen, die nach einem zwischenstaatlichen Vertrag, der zur Umsetzung der Bestimmungen des Internal Revenue Codes geschlossen wurde, vorzunehmen ist; oder

(i) [***in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** taxes or duties that are required to be withheld pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*); or]

(i) [***im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** Steuern oder Abgaben, die gemäß dem niederländischen Quellensteuergesetz 2021 (*Wet bronbelasting 2021*) einbehalten werden müssen; oder]

(j) any combination of items (a)- [***in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** (i)];

(j) jegliche Kombination der Absätze (a)- [***im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** (i)].

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction(s) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer erhält, soweit nach den Gesetzen der Relevanten Steuerjurisdiktion(en) eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder dem Gesellschafter der Personengesellschaft zugerechnet würde,

beneficiary, settlor, member or beneficial owner been the Holder of the Note.**]**

der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer unmittelbarer Gläubiger der Schuldverschreibungen wäre.**]**

For the avoidance of doubt: No Additional Amounts will be paid with respect to German *Kapitalertragsteuer* (including *Abgeltungsteuer*) to be deducted or withheld pursuant to the German Income Tax Act, even if the deduction or withholding has to be made by the Issuer or its representative, and the German Solidarity Surcharge (*Solidaritätszuschlag*) or any other tax which may substitute the German *Kapitalertragsteuer* or *Solidaritätszuschlag*, as the case may be.

Zur Klarstellung: Keine Zusätzlichen Beträge werden gezahlt in Bezug auf die deutsche Kapitalertragsteuer (inklusive der sog. Abgeltungsteuer), die nach dem deutschen Einkommensteuergesetz abgezogen oder einbehalten wird, auch wenn der Abzug oder Einbehalt durch die Emittentin oder ihren Vertreter vorzunehmen ist, und den deutschen Solidaritätszuschlag oder jede andere Steuer, welche die deutsche Kapitalertragsteuer bzw. den Solidaritätszuschlag ersetzen sollte.

§ 8
(PRESENTATION PERIOD)

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

§ 8
(VORLEGUNGSFRIST)

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

§ 9
(EVENTS OF DEFAULT)

(1) Events of default.

Each Holder shall be entitled to declare due and payable by notice to the Fiscal Agent its entire claims arising from the Notes and demand immediate redemption thereof at the principal amount together with accrued interest (if any) to (but excluding) the date of repayment, in the event that:

(a) the Issuer fails to pay principal or interest under the Notes within 10 Payment Business Days from the relevant due date, or

(b) **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:** the Guarantor fails to pay amounts payable under the Guarantee within 10 Payment Business Days from the relevant due date, or**]**

(c) the Issuer fails to duly perform any other material obligation arising from the Notes **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor fails to perform any other material obligation arising from the Guarantee**]** and such failure continues unremedied for more than 30 days after the Fiscal Agent has received a request thereof in the manner set forth in § 9(3) from a Holder to perform such obligation; or

§ 9
(KÜNDIGUNG)

(1) Kündigungsgründe.

Jeder Gläubiger ist berechtigt, seine sämtlichen Forderungen aus den Schuldverschreibungen durch Kündigung gegenüber der Emissionsstelle fällig zu stellen und die unverzügliche Rückzahlung zum Nennbetrag, zuzüglich etwaiger bis zum Tag der Rückzahlung (ausschließlich) aufgelaufener Zinsen zu verlangen, falls:

(a) die Emittentin auf die Schuldverschreibungen Kapital oder Zinsen nicht innerhalb von 10 Zahltagen nach dem betreffenden Fälligkeitstag zahlt; oder

(b) **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Garantin auf die Garantie zahlbare Beträge nicht innerhalb von 10 Zahltagen nach dem Fälligkeitstag zahlt; oder**]**

(c) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Schuldverschreibungen unterlässt **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin die Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus der Garantie unterlässt**]** und die Unterlassung jeweils länger als 30 Tage fortdauert,

nachdem die Emissionsstelle eine Aufforderung in der in § 9(3) vorgesehenen Art und Weise von dem Gläubiger erhalten hat, die Verpflichtung zu erfüllen; oder

(d) the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or any Material Subsidiary fails to fulfil any payment obligation in excess of EUR 100,000,000 or the equivalent thereof under any Capital Market Indebtedness of or under any guarantees or suretyships given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of such guarantee or suretyship, within 30 days of such guarantee or suretyship being invoked, unless the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or the relevant Material Subsidiary contests in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked; or

(d) die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar*:**, die Garantin**]** oder eine Wesentliche Tochtergesellschaft eine Zahlungsverpflichtung in Höhe oder im Gegenwert von mehr als EUR 100.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für Kapitalmarktverbindlichkeiten Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Fall einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie erfüllt, es sei denn, die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Garantin**]** oder die betreffende Wesentliche Tochtergesellschaft bestreitet in gutem Glauben, dass diese Zahlungsverpflichtung besteht oder fällig ist bzw. diese Bürgschaft oder Garantie berechtigterweise geltend gemacht wird; oder

(e) any Capital Market Indebtedness of the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or any Material Subsidiary in excess of EUR 100,000,000 or the equivalent thereof becomes due and payable prior to its specified maturity as a result of an event of default (however described) for which the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or the Material Subsidiary is responsible; or

(e) eine Kapitalmarktverbindlichkeit der Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** der Garantin**]** oder einer Wesentlichen Tochtergesellschaft in Höhe oder im Gegenwert von mehr als EUR 100.000.000 vor dem Ende ihrer festgelegten Laufzeit als Folge einer von der Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** der Garantin**]** oder einer Wesentlichen Tochtergesellschaft zu vertretenden Leistungsstörung (wie auch immer diese beschrieben ist) fällig gestellt wird; oder

(f) the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or any Material Subsidiary suspends its payments generally or announces its inability to meet its financial obligations; or

(f) die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Garantin**]** oder eine Wesentliche Tochtergesellschaft ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit bekannt gibt; oder

(g) any competent court institutes insolvency proceedings **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** (including bankruptcy proceedings (*faillissement*) and moratorium of payments (*surseance van betaling*) pursuant to the insolvency laws of The Netherlands)**]** against the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**,** the Guarantor**]** or a Material Subsidiary and such proceedings have not been discharged or stayed within 90 days, or the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*,** the Guarantor**]** or a Material Subsidiary applies for the institution of such proceedings, or an application for the institution of such proceedings has been filed but rejected by the competent court for lack of assets, or if the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*,** the Guarantor**]** or a Material Subsidiary offers or makes a general arrangement for the benefit of all of its creditors; or

(g) ein Gericht ein Insolvenzverfahren **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben wird, ist folgendes anwendbar:*** (einschließlich Konkursverfahren (*faillissement*) und Zahlungsmoratorien (*surseance van betaling*) nach niederländischem Insolvenzrecht)**]** gegen die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft eröffnet und ein solches Verfahren nicht innerhalb von 90 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft die Eröffnung eines solchen Verfahrens beantragt, oder ein auf Eröffnung eines solchen Verfahrens gestellter Antrag von dem zuständigen Gericht mangels Masse abgelehnt wird, oder die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft eine allgemeine Schuldenregelung zu Gunsten all ihrer Gläubiger trifft oder diese anbietet; oder

(h) the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**,** the Guarantor**]** or a Material Subsidiary goes into liquidation (except in connection with a merger or reorganization or other form of combination with another company and such company or, as the case may be, companies effectively assume substantially all of the assets and liabilities of the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**,** the Guarantor**]** or the relevant Material Subsidiary, as the case may be).

(h) die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft in Liquidation tritt (es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Reorganisation oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung, sofern die andere oder neue Gesellschaft oder gegebenenfalls die anderen neuen Gesellschaften im Wesentlichen alle Aktiva und Passiva der Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** der Garantin**]** oder der betreffenden Wesentlichen Tochtergesellschaft übernimmt oder übernehmen).

(2) No Termination.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised. No event or circumstance other than an event specified in § 9(1) shall entitle Holders to declare their Notes

(2) Keine Kündigung.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde. Vorbehaltlich anwendbaren zwingenden Rechts berechtigen andere Ereignisse oder Umstände als die in § 9(1)

due and payable prior to their stated maturity, save as expressly provided for in these Terms and Conditions and subject to applicable mandatory law.

(3) Notice.

Any default notice in accordance with § 9(1) is irrevocable and shall be made at least in text form (§ 126b of the German Civil Code, *Bürgerliches Gesetzbuch*) to the specified office of the Fiscal Agent together with evidence by means of a certificate of the Holder's Custodian (as defined in § 15(4)) that such Holder, at the time of such notice, is a holder of the relevant Notes.

(4) Quorum.

In the events specified in **[**§ 9(1)(c)**]**, **[**§ 9(1)(d)**]** and/or **[**§ 9(1)(e)**]**, any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 9(1)(a)**[**, § 9(1)(b)**]** and **[**§ 9(1)**(**f)**]** through **[**§ 9(1)(h)**]** entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such default notices from the Holders representing at least 10% of the aggregate principal amount of Notes then outstanding.

genannten den Gläubiger nicht dazu, seine Schuldverschreibungen vorzeitig zur Rückzahlung fällig zu stellen, es sei denn, dies ist ausdrücklich in diesen Emissionsbedingungen bestimmt.

(3) Kündigungserklärung.

Eine Kündigungserklärung gemäß § 9(1) ist unwiderruflich und hat in der Weise zu erfolgen, dass der Gläubiger bei der angegebenen Geschäftsstelle der Emissionsstelle eine entsprechende Erklärung zumindest in Textform (§ 126b Bürgerliches Gesetzbuch) übergibt und dabei durch eine Bescheinigung seiner Depotbank (wie in § 15(4) definiert) nachweist, dass er die betreffenden Schuldverschreibungen zum Zeitpunkt der Erklärung hält.

(4) Quorum.

In den Fällen gemäß **[**§ 9(1)(c)**]**, **[**§ 9(1)(d)**]** und/oder **[**§ 9(1)(e)**]** wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in § 9(1)(a)[, § 9(1)(b)] und **[**§ 9(1)(f)**]** bis **[**§ 9(1)(h)**]** bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Emissionsstelle Kündigungserklärungen von Gläubigern im Nennbetrag von mindestens 10 % des Gesamtnennbetrages der zu diesem Zeitpunkt noch insgesamt ausstehenden Schuldverschreibungen eingegangen sind.

§ 10
(SUBSTITUTION)

(1) Substitution.

The Issuer (or the Substitute Debtor) may, without the consent of the Holders, if no payment of principal or of interest or any other amount in respect of the Notes is in default, at any time substitute for the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:** ZF Friedrichshafen AG or**]** any Affiliate as principal debtor in respect of all obligations arising from or in connection with the Notes (the ***Substitute Debtor***) provided that:

(a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

(b) the Substitute Debtor has obtained all necessary governmental authorizations and may transfer to the Principal Paying Agent in the Specified Currency and without being obligated to deduct or withhold any

§ 10
(ERSETZUNG)

(1) Ersetzung

Die Emittentin (oder die Nachfolgeschuldnerin) ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen oder einer anderen Zahlung aus den Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** ZF Friedrichshafen AG oder**]** ein verbundenes Unternehmen an Stelle der Emittentin als Hauptschuldnerin (die ***Nachfolgeschuldnerin***) für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;

(b) die Nachfolgeschuldnerin alle erforderlichen behördlichen Genehmigungen erhalten hat und berechtigt ist, an die Hauptzahlstelle die zur Erfüllung der

taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

Zahlungsverpflichtungen auf die Schuldverschreibungen zu zahlenden Beträge in der Festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

(c) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder as a result of such substitution;

(c) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger infolge der Ersetzung auferlegt werden;

(d) [***In the case of Notes issued by ZF Friedrichshafen AG, the following applies:*** the Issuer**] [***in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** the Guarantor if it is not itself the Substitute Debtor] irrevocably and unconditionally guarantees in favor of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms equivalent to the terms of **[***in the case of Notes issued by ZF Friedrichshafen AG, the following applies:*** the guarantee in respect of notes to be issued by ZF Europe Finance B.V. under its Debt Issuance Programme**] [***in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** the Guarantee**]**;

(d) [***Im Fall von Schuldverschreibungen, die von ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*** die Emittentin] [***im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Garantin, falls sie nicht selbst die Nachfolgeschuldnerin ist,] unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zu zahlenden Beträge zu Bedingungen garantiert, **[***im Fall von Schuldverschreibungen, die von ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*** die den Bedingungen der Garantie hinsichtlich der Schuldverschreibungen, die von ZF Europe Finance B.V. unter dem Debt Issuance Programme begeben werden,**] [***im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die den Bedingungen der Garantie**]** entsprechen;

(e) no event would occur as a result of the substitution that would give rise to the right of the Substitute Debtor to call the Notes for redemption pursuant to § 5(2); and

(e) aufgrund der Ersetzung kein Ereignis eintreten würde, welches die Nachfolgeschuldnerin dazu berechtigen würde, die Schuldverschreibung gemäß § 5(2) zu kündigen und zurückzuzahlen; und

(f) there will have been delivered to the Principal Paying Agent an opinion or opinions with respect to the relevant jurisdictions of lawyers of recognized standing to the effect that the provisions of this § 10(1) have been satisfied.

(f) der Hauptzahlstelle jeweils ein oder mehrere Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt werden, das bestätigt bzw. die bestätigen, dass die Bestimmungen in diesem § 10(1) erfüllt wurden.

Affiliate shall mean any affiliated company (*verbundenes Unternehmen*) within the meaning of § 15 et seq. of the German Stock Corporation Act (*Aktiengesetz*) of ZF Friedrichshafen AG.

Verbundenes Unternehmen bedeutet jedes mit der ZF Friedrichshafen AG verbundene Unternehmen im Sinne der §§ 15 f. Aktiengesetz.

(2) References.

(2) Bezugnahmen.

In the event of a substitution pursuant to § 10(1), any reference in these Terms and Conditions to the Issuer will be a reference to the Substitute Debtor and any reference to **[*in the case of Notes issued by ZF Friedrichshafen AG, the following applies:*** the Federal Republic of Germany**] [*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** the Kingdom of The Netherlands**]** will be a reference to the Substitute Debtor's country (countries) of domicile for tax purposes. For the avoidance of doubt this will apply only to the extent that the meaning and purpose of the relevant condition does not require that the relevant reference will continue to be a reference only to ZF Friedrichshafen AG (i.e., in particular in relation to § 5(4) (Put Event following a Change of Control), or that the reference will be to the Substitute Debtor and ZF Friedrichshafen AG, in relation to ZF Friedrichshafen AG's obligations under the guarantee pursuant to § 10(1)(d), at the same time).

Im Fall einer Schuldnerersetzung gemäß § 10(1) gilt jede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin als eine solche auf die Nachfolgeschuldnerin und jede Bezugnahme auf **[*im Fall von Schuldverschreibungen, die von ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*** die Bundesrepublik Deutschland**] [*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** das Königreich der Niederlande**]** als eine solche auf den Staat (die Staaten), in welchem die Nachfolgeschuldnerin steuerlich ansässig ist. 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 ZF Friedrichshafen AG erfolgen soll (also insbesondere im Hinblick auf § 5(4) (Rückzahlungsereignis nach Eintritt eines Kontrollwechsels), oder dass die Bezugnahme auf die Nachfolgeschuldnerin und gleichzeitig auch auf die ZF Friedrichshafen AG, im Hinblick auf deren Verpflichtungen aus der Garantie gemäß § 10(1)(d), erfolgen soll).

(3) Notice and Effectiveness of Substitution.

Notice of any substitution of the Issuer will be given by publication in accordance with § 12. Upon such publication, the substitution will become effective, and the Issuer and in the event of a repeated application of this § 10, any previous Substitute Debtor will be discharged from any and all obligations under the Notes.

(3) Bekanntmachung und Wirksamwerden der Ersetzung.

Die Ersetzung der Emittentin ist gemäß § 12 bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Falle einer wiederholten Anwendung dieses § 10 jede frühere Nachfolgeschuldnerin von ihren sämtlichen Verbindlichkeiten aus den Schuldverschreibungen frei.

(4) Appointment of Authorized Agent.

For any Proceedings (as defined in § 15(4)) before German courts, the Substitute Debtor, unless it has its domicile in Germany, shall appoint ZF Friedrichshafen AG, Löwentaler Straße 20, 88046 Friedrichshafen, Federal Republic of Germany, as its authorized agent for service of process in Germany.

(4) Bestellung eines Zustellungsbevollmächtigten.

Für etwaige Rechtsstreitigkeiten (wie in § 15(4) definiert) vor deutschen Gerichten wird die Nachfolgeschuldnerin, sofern sie ihren Sitz nicht in Deutschland hat, die ZF Friedrichshafen AG, Löwentaler Straße 20, 88046 Friedrichshafen, Bundesrepublik Deutschland, zu ihrer Zustellungsbevollmächtigten in Deutschland bestellen.

§ 11
(FURTHER ISSUES)

The Issuer may from time to time, without the consent of the Holders, create and issue further Notes having the same terms and conditions as the Notes of this series in all respects (or in all respects except for the issue date, interest commencement date and/or the issue price) so as to form a single series with the Notes of this series.

§ 11
(BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN)

Die Emittentin kann ohne Zustimmung der Gläubiger weitere Schuldverschreibungen begeben, die in jeder Hinsicht (gegebenenfalls mit Ausnahme des Tags der Begebung, des Zinslaufbeginns und/oder des Ausgabepreises) die gleichen Bedingungen wie die Schuldverschreibungen dieser Anleihe haben und die zusammen mit den

Schuldverschreibungen dieser Anleihe eine einheitliche Gesamtemission bilden.

§ 12
(NOTICES)

**[*In the case of Notes which are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the following applies:*

(1) Publication.

As long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange (and as long as the rules and regulations of the Luxembourg Stock Exchange so require), all notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (*www.LuxSE.com*). Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

(2) Notification to Clearing System.

So long as any Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, subparagraph (1) shall apply. If the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been given on the seventh day after the day on which the said notice was given to the Clearing System.**]**

**[*In the case of Notes which are listed on another stock exchange, the following applies:*

(1) Publication.

All notices concerning the Notes will be made by means of electronic publication on the internet website of the stock exchange with respect to which the Issuer initiated the listing of the Notes, as long as the Notes are listed on such stock exchange and if the rules of such stock exchange so permit. Any such notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

(2) Notification to Clearing System.

§ 12
(MITTEILUNGEN)

**[*Im Fall von Schuldverschreibungen, die im amtlichen Kursblatt (official list) der Luxemburger Börse notiert und zum Handel am regulierten Markt der Luxemburger Börse zugelassen sind, ist folgendes anwendbar:*

(1) Bekanntmachung.

Solange Schuldverschreibungen im amtlichen Kursblatt (*official list*) der Luxemburger Börse notiert und zum Handel am regulierten Markt der Luxemburger Börse zugelassen sind (und die Vorschriften der Luxemburger Börse dies verlangen), sind alle die Schuldverschreibungen betreffenden Mitteilungen auf der Internetseite der Luxemburger Börse (*www.LuxSE.com*) zu veröffentlichen. Jede derartige Mitteilung gilt mit dem dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen mit dem dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) Mitteilungen an das Clearingsystem.

Solange Schuldverschreibungen im amtlichen Kursblatt (*official list*) der Luxemburger Börse notiert und zum Handel am regulierten Markt der Luxemburger Börse zugelassen sind, sind alle die Schuldverschreibungen betreffenden Mitteilungen gemäß Absatz 1 bekanntzumachen. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz 1 durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

**[*Im Fall von Schuldverschreibungen, die an einer anderen Börse notiert sind, ist folgendes anwendbar:*

(1) Bekanntmachung.

Alle die Schuldverschreibungen betreffenden Mitteilungen sind auf der Internetseite der Börse, an der die Emittentin das Listing der Notes veranlasst hat zu veröffentlichen, solange die Schuldverschreibungen an dieser Börse notiert sind und die Regeln dieser Börse dies zulassen. Jede derartige Mitteilung gilt mit dem dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen mit dem dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) Mitteilungen an das Clearingsystem.

So long as any Notes are listed on such a stock exchange, subparagraph (1) shall apply. If the rules of such stock exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been given on the seventh day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of Notes which are unlisted the following applies:*

The Issuer will deliver all notices to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of Notes that provide for Resolutions of Holders the following applies:*

§ 13
AMENDMENTS TO THE TERMS AND CONDITIONS BY RESOLUTION, JOINT REPRESENTATIVE [*IN THE CASE OF NOTES ISSUED BY ZF EUROPE FINANCE B.V., THE FOLLOWING APPLIES:*, AMENDMENT OF THE GUARANTEE]

(1) Majority Resolutions pursuant to the German Act on Issues of Debt Securities.

The Issuer may agree with the Holders on amendments to the Terms and Conditions by virtue of a majority resolution of the Holders pursuant to § 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – ***SchVG***), as amended from time to time. In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5 paragraph 3 of the SchVG by resolutions passed by such majority of the votes of the Holders as stated under § 13(2) below. A duly passed majority resolution shall be binding equally upon all Holders.

(2) Qualified Majority.

Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating

Solange Schuldverschreibungen an dieser Börse notiert sind, sind alle die Schuldverschreibungen betreffenden Mitteilungen gemäß Absatz 1 bekanntzumachen. Soweit die Regeln dieser Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz 1 durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

[*Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, ist folgendes anwendbar:*

Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

[*Im Fall von Schuldverschreibungen, die Beschlüsse der Gläubiger vorsehen, ist folgendes anwendbar:*

§ 13
ÄNDERUNG DER EMISSIONSBEDINGUNGEN DURCH BESCHLUSS DER GLÄUBIGER; GEMEINSAMER VERTRETER [*IM FALL VON SCHULDVERSCHREIBUNGEN, DIE VON ZF EUROPE FINANCE B.V. BEGEBEN WERDEN, IST FOLGENDES ANWENDBAR:*, ÄNDERUNG DER GARANTIE]

(1) Mehrheitsbeschlüsse nach dem Schuldverschreibungsgesetz.

Die Emittentin kann mit den Gläubigern gemäß §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (*Schuldverschreibungsgesetz* – ***SchVG***) in seiner jeweils geltenden Fassung Änderungen der Emissionsbedingungen durch Mehrheitsbeschluss der Gläubiger vereinbaren. Insbesondere können die Gläubiger durch Beschluss mit der in § 13(2) genannten Mehrheit Änderungen zustimmen, durch welche der wesentliche Inhalt der Emissionsbedingungen geändert wird, einschließlich der in § 5 Abs. 3 SchVG genannten Maßnahmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger gleichermaßen verbindlich.

(2) Qualifizierte Mehrheit.

Vorbehaltlich der Bestimmungen des folgenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit können die Gläubiger Beschlüsse mit der einfachen

in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of § 5 paragraph 3 numbers 1 through 9 of the SchVG, or relating to material other matters may only be passed by a majority of at least 75% of the voting rights participating in the vote (a ***Qualified Majority***).

Mehrheit der an der Abstimmung teilnehmenden Stimmrechte fassen. Beschlüsse, durch welche der wesentliche Inhalt der Emissionsbedingungen geändert wird, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, oder sonstige wesentliche Maßnahmen beschlossen werden, dürfen nur mit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine ***Qualifizierte Mehrheit***) gefasst werden.

(3) Voting.

The Holders may pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with § 5 et seqq. of the SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 and § 5 et seqq. of the SchVG.

(3) Abstimmung.

Die Gläubiger können Beschlüsse in einer Gläubigerversammlung gemäß §§ 5 ff. SchVG oder im Wege einer Abstimmung ohne Versammlung gemäß § 18 und §§ 5 ff. SchVG fassen.

(4) Holders' Meeting.

If resolutions of the Holders shall be made by means of a meeting the convening notice (*Einberufung*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the convening notice. Attendance at the meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 15(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(4) Gläubigerversammlung.

Falls Beschlüsse der Gläubiger in einer Gläubigerversammlung gefasst werden, enthält die Bekanntmachung der Einberufung nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Gläubigern mit der Bekanntmachung der Einberufung bekannt gemacht. Die Teilnahme an der Gläubigerversammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(4) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

(5) Passing Resolutions without Holders' Meeting.

If resolutions of the Holders shall be made by means of a vote without a meeting the request for voting (*Aufforderung zur Stimmabgabe*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the request for voting. The exercise of voting rights is subject to the Holders' registration. 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

(5) Beschlussfassung ohne Versammlung.

Falls Beschlüsse der Gläubiger im Wege einer Abstimmung ohne Versammlung gefasst werden, enthält die Aufforderung zur Stimmabgabe nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Gläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse

registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 15(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(4) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.

(6) Failed Quorum, Second Holders' Meeting.

If it is ascertained that no quorum exists for the meeting pursuant to § 13(4) or the vote without a meeting pursuant to § 13(5), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with § 15 paragraph 3 sentence 2 of the SchVG or in case of a vote without a meeting the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of § 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 15(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(6) Mangelnde Beschlussfähigkeit, zweite Versammlung.

Wird für die Gläubigerversammlung gemäß § 13(4) oder die Abstimmung ohne Versammlung gemäß § 13(5) die mangelnde Beschlussfähigkeit festgestellt, kann – im Fall der Gläubigerversammlung – der Vorsitzende eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 2 SchVG und – im Fall der Abstimmung ohne Versammlung – der Abstimmungsleiter eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Versammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(4) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Versammlung (einschließlich) nicht übertragbar sind, nachweisen.

(7) Holders' representative.

[*If no Holders' Representative is designated in the Terms and Conditions of the Notes the following applies:* The Holders may by majority resolution provide for the appointment or dismissal of a joint representative (the ***Holders' Representative***), the duties and responsibilities and the powers of such Holders' Representative, the transfer of the rights of the Holders to the Holders' Representative and a limitation of liability of the Holders' Representative. § 13(2) to (6) also apply to the resolution regarding the appointment of a Holders' Representative. Appointment of a Holders' Representative may only be passed by a Qualified Majority if such Holders' Representative is to be authorized to

(7) Gemeinsamer Vertreter.

[*Im Fall, dass kein Gemeinsamer Vertreter in den Emissionsbedingungen der Schuldverschreibungen bestimmt ist, ist folgendes anwendbar:* Die Gläubiger können durch Mehrheitsbeschluss einen gemeinsamen Vertreter der Gläubiger (der ***Gemeinsame Vertreter***) bestellen oder abberufen, und die Pflichten, Aufgaben und Befugnisse des Gemeinsamen Vertreters, die Übertragung der Rechte der Gläubiger auf den Gemeinsamen Vertreter und eine Beschränkung der Haftung des Gemeinsamen Vertreters festlegen. § 13(2) bis (6) gelten auch für die Beschlussfassung über die Bestellung eines Gemeinsamen Vertreters. Der Beschluss zur Bestellung eines

consent, in accordance with § 13(2) hereof, to a material change in the substance of the Terms and Conditions or other material matters.**]**

Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn der Gemeinsame Vertreter befugt ist, Änderungen des wesentlichen Inhalts der Emissionsbedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 13(2) zuzustimmen.**]**

[*If the Holders' Representative is appointed in the Terms and Conditions of the Notes, the following applies:* The joint representative (the ***Holders' Representative***) shall be **[*name, address*]**. The Holders' Representative shall have the duties and responsibilities and powers provided for by law. The liability of the Holders' Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted willfully or with gross negligence. The provisions of the SchVG apply with respect to the dismissal of the Holders' Representative and the other rights and obligations of the Holders' Representative.**]**

[*Im Fall, dass ein Gemeinsamer Vertreter in den Emissionsbedingungen bestimmt wird, ist folgendes anwendbar:* Der gemeinsame Vertreter (der ***Gemeinsame Vertreter***) ist **[*Name, Adresse*]**. Der Gemeinsame Vertreter hat die Pflichten und Verantwortlichkeiten und Rechte, die ihm von Gesetzes wegen zustehen. Die Haftung des Gemeinsamen Vertreters ist auf den zehnfachen Betrag seiner jährlichen Vergütung begrenzt, es sei denn, der Gemeinsame Vertreter hat vorsätzlich oder grob fahrlässig gehandelt. Die Vorschriften des SchVG gelten im Hinblick auf die Abberufung des Gemeinsamen Vertreters und die sonstigen Rechte und Pflichten des Gemeinsamen Vertreters.**]**

(8) Publication.

Any notices concerning this § 13 shall be made exclusively pursuant to the provisions of the SchVG.

(8) Bekanntmachung.

Bekanntmachungen betreffend diesen § 13 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

(9) Amendment of the Guarantee.

The provisions set out above applicable to the amendment of the Terms and Conditions of the Notes shall apply *mutatis mutandis* **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** to the Guarantee and**]** to any guarantee granted in connection with a substitution of the Issuer.**]**

(9) Änderung der Garantie.

Die oben aufgeführten auf die Änderung der Emissionsbedingungen der Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Bestimmungen der Garantie und**]** die Bestimmungen einer etwaigen im Zusammenhang mit einer Ersetzung der Emittentin gewährten Garantie.**]**

§ 14
(INFORMATION)

§ 14
(INFORMATIONEN)

[*In the case of Notes issued by ZF Friedrichshafen AG, the following applies:*

[*Im Fall von Schuldverschreibungen, die von der ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*

(1) The Issuer undertakes that for such time as the Notes have not been redeemed or repurchased and cancelled, to publish an English language version of the Periodic Financial Information on its internet website no later than on the dates specified below (or, if any such day is not a business day in Friedrichshafen, Germany, on the following business day).

(1) Die Emittentin verpflichtet sich, solange die Schuldverschreibungen noch nicht zurückgezahlt oder zurückgekauft und entwertet wurden, spätestens an den nachstehend bestimmten Tagen (oder, falls ein solcher Tag kein Geschäftstag in Friedrichshafen, Deutschland, ist, am nächstfolgenden Geschäftstag) eine englischsprachige Fassung der Regelmäßigen Finanzinformationen auf ihrer Internetseite zu veröffentlichen.

Periodic Financial Information means:

Regelmäßige Finanzinformationen bezeichnet:

(i) the audited consolidated financial statements of the Issuer prepared in accordance with Regulation (EC) No. 1606/2002 as amended from time to time or the respective applicable successor provision including the group management report which have to be published no later than six months after the end of the Issuer's preceding financial year; and

(ii) the unaudited condensed consolidated half-yearly interim financial statements of the Issuer (comprising consolidated statement of financial position, condensed consolidated statement of profit or loss and consolidated statement of cash flows) which has to be published no later than the ninetieth calendar day following the end of the second quarter of the Issuer's recent financial year.

(2) The Issuer undertakes not to provide information about itself or any other factors which may affect the value of the Notes to any Holder in addition to the Periodic Financial Information, without providing such information to all Holders at the same time, unless the relevant Holder is provided with such information because of a legal relationship with the Issuer which is independent from its status as Holder.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

(1) The Guarantor has undertaken in the Guarantee that for such time as the Notes have not been redeemed or repurchased and cancelled, the Guarantor shall publish an English language version of the Periodic Financial Information on its internet website no later than on the dates specified below (or, if any such day is not a business day in Friedrichshafen, Germany, on the following business day).

Periodic Financial Information means

(i) the audited consolidated financial statements of the Guarantor prepared in accordance with Regulation (EC) No. 1606/2002 as amended from time to time or the respective applicable successor provision including the group management report which have to be published no later than six months after the end of the Guarantor's preceding financial year; and

(i) den im Einklang mit der Verordnung (EG) 1606/2002 in ihrer jeweils geltenden Fassung bzw. der jeweils anwendbaren Nachfolgeregelung aufgestellten geprüften Konzernabschluss der Emittentin einschließlich des Konzernlageberichts, der jeweils spätestens sechs Monate nach Ende des vorangegangenen Geschäftsjahrs der Emittentin veröffentlicht sein muss; und

(ii) den ungeprüften verkürzten Konzernhalbjahreszwischenabschluss der Emittentin (bestehend aus Konzernbilanz, vereinfachter Konzern-Gewinn- und Verlustrechnung und Konzern-Kapitalflussrechnung), der jeweils spätestens am neunzigsten Kalendertag nach dem Ende des zweiten Quartals des jeweils laufenden Geschäftsjahrs der Emittentin zu veröffentlichen ist.

(2) Die Emittentin verpflichtet sich, es zu unterlassen, einem Gläubiger über die Regelmäßigen Finanzinformationen hinaus, Informationen über sich selbst oder andere Umstände, die den Wert der Schuldverschreibungen beeinflussen können, zukommen zu lassen, ohne diese Informationen zur gleichen Zeit allen Gläubigern bekannt zu machen, es sei denn, der betreffende Gläubiger erhält solche Informationen aufgrund eines Rechtsverhältnisses mit der Emittentin, das von seiner Stellung als Gläubiger der Schuldverschreibungen unabhängig ist.**]**

[*Im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*

(1) Die Garantin hat sich in der Garantie verpflichtet, solange die Schuldverschreibungen noch nicht zurückgezahlt oder zurückgekauft und entwertet wurden, spätestens an den nachstehend bestimmten Tagen (oder, falls ein solcher Tag kein Geschäftstag in Friedrichshafen, Deutschland, ist, am nächstfolgenden Geschäftstag) eine englischsprachige Fassung der Regelmäßigen Finanzinformationen auf ihrer Internetseite zu veröffentlichen.

Regelmäßige Finanzinformationen bezeichnet

(i) den im Einklang mit der Verordnung (EG) 1606/2002 in ihrer jeweils geltenden Fassung bzw. der jeweils anwendbaren Nachfolgeregelung aufgestellten geprüften Konzernabschluss der Garantin einschließlich des Konzernlageberichts, der jeweils spätestens sechs Monate nach Ende des vorangegangenen Geschäftsjahrs der Garantin veröffentlicht sein muss; und

(ii) the unaudited condensed consolidated half-yearly interim financial statements of the Guarantor (comprising consolidated statement of financial position, condensed consolidated statement of profit or loss and consolidated statement of cash flows) which has to be published no later than the ninetieth day following the end of the second quarter of the Guarantor's recent financial year.

(2) The Guarantor has undertaken in the Guarantee not to provide information about the Guarantor or any other factors which may affect the value of the Notes to any Holder in addition to the Periodic Financial Information, without providing such information to all Holders at the same time, unless the relevant Holder is provided with such information because of a legal relationship with the Guarantor which is independent from its status as Holder.**]**

(ii) den ungeprüften verkürzten Konzernhalbjahreszwischenabschluss der Garantin (bestehend aus Konzernbilanz, vereinfachter Konzern-Gewinn- und Verlustrechnung und Konzern-Kapitalflussrechnung), der jeweils spätestens am neunzigsten Tag nach dem Ende des zweiten Quartals des jeweils laufenden Geschäftsjahrs der Garantin zu veröffentlichen ist.

(2) Die Garantin hat sich in der Garantie dazu verpflichtet, es zu unterlassen, einem Gläubiger über die Regelmäßigen Finanzinformationen hinaus, Informationen über die Garantin oder andere Umstände, die den Wert der Schuldverschreibungen beeinflussen können, zukommen zu lassen, ohne diese Informationen zur gleichen Zeit allen Gläubigern bekannt zu machen, es sei denn, der betreffende Gläubiger erhält solche Informationen aufgrund eines Rechtsverhältnisses mit der Garantin, das von seiner Stellung als Gläubiger der Schuldverschreibungen unabhängig ist.**]**

§ 15
(FINAL PROVISIONS)

(1) Applicable Law.

The Notes are governed by, and construed in accordance with, the laws of the Federal Republic of Germany.

(2) Place of Jurisdiction.

Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the non-exclusive place of jurisdiction for all proceedings arising from matters provided for in these Terms and Conditions will be Frankfurt am Main. The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of Frankfurt am Main being nominated as the forum to hear and determine any proceedings and to settle any disputes and agrees not to claim that any of those courts is not a convenient or appropriate forum.

(3) Place of Performance.

Place of performance will be Frankfurt am Main, Federal Republic of Germany.

(4) Enforcement of Rights.

Any Holder may in any proceedings against the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:* or the Guarantor**]** or to which the Holder and the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:* or

§ 15
(SCHLUSSBESTIMMUNGEN)

(1) Anzuwendendes Recht.

Form und Inhalt der Schuldverschreibungen bestimmen sich nach dem Recht der Bundesrepublik Deutschland.

(2) Gerichtsstand.

Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist Frankfurt am Main nicht-ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus den in diesen Emissionsbedingungen geregelten Angelegenheiten. Die Emittentin verzichtet unwiderruflich auf jede Einrede, die sie jetzt oder später dagegen geltend machen könnte, dass die zuständigen Gerichte von Frankfurt am Main als Gerichtsstand für die Anhörung und Entscheidung von Verfahren und die Beilegung von Rechtsstreitigkeiten benannt sind, und verpflichtet sich, keine Rüge der Unzuständigkeit gegen eines dieser Gerichte zu erheben.

(3) Erfüllungsort.

Erfüllungsort ist Frankfurt am Main, Bundesrepublik Deutschland.

(4) Geltendmachung von Rechten.

Jeder Gläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:* oder die Garantin**]** oder in jedem Rechtsstreit, in dem der Gläubiger und die

the Guarantor**]** are parties protect and enforce in his own name his rights arising under the Notes on the basis of:

(a) a certificate issued by his Custodian (A) stating the full name and address of the Holder, (B) specifying an aggregate principal amount of Notes credited on the date of such statement to such Holder's securities account(s) maintained with his Custodian and (C) confirming that his Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information specified in (A) and (B) and bearing acknowledgements of the Clearing System and the relevant account holder in the Clearing System and

(b) a copy of the Global Note relating to the Notes, certified as being a true copy by a duly authorized officer of the Clearing System or the Principal Paying Agent; or

(c) any other means of evidence permitted in legal proceedings in the country of enforcement.

Custodian means any bank or other financial institution with which the Holder maintains a securities account in respect of any Notes and having an account maintained with the Clearing System, including the Clearing System.

§ 16
(LANGUAGE)

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

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

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

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

Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** Partei sind, seine Rechte aus den Schuldverschreibungen im eigenen Namen geltend zu machen gegen Vorlage:

(a) einer Bescheinigung der Depotbank, die (A) den vollen Namen und die volle Anschrift des Gläubigers bezeichnet, (B) den Gesamtnennbetrag von Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung den bei dieser Depotbank bestehenden Depots dieses Gläubigers gutgeschrieben sind und (C) bestätigt, dass die Depotbank dem Clearingsystem und der Hauptzahlstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (A) und (B) enthält und Bestätigungsvermerke des Clearingsystems sowie des betroffenen Kontoinhabers bei dem Clearingsystem trägt sowie

(b) einer von einem Vertretungsberechtigten des Clearingsystems oder der Hauptzahlstelle bestätigten Ablichtung der Globalurkunde; oder

(c) eines anderen, in Rechtsstreitigkeiten in dem Land der Geltendmachung zulässigen Beweismittels.

Depotbank bezeichnet ein Bank- oder sonstiges Finanzinstitut, bei dem der Gläubiger Schuldverschreibungen im Depot verwahren lässt und das ein Konto bei dem Clearingsystem hat, einschließlich des Clearingsystems.

§ 16
(SPRACHE)

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

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

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

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

Übersetzung in die deutsche Sprache ist unverbindlich.**]**

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

[*Falls die Emissionsbedingungen ausschließlich in deutscher Sprache abgefasst sind, ist folgendes anwendbar:*

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

Diese Emissionsbedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

[*If the Notes are publicly offered in whole or in part in Germany or distributed in whole or in part to non-professional investors in Germany with English language Conditions, the following applies:*

Eine deutsche Übersetzung der Emissionsbedingungen wird bei der ZF Friedrichshafen AG, Löwentaler Straße 20, 88046 Friedrichshafen, Bundesrepublik Deutschland zur kostenlosen Ausgabe bereitgehalten.]

OPTION II – Terms and Conditions for Notes with floating interest rate / Emissionsbedingungen für Schuldverschreibungen mit variabler Verzinsung

TERMS AND CONDITIONS

§ 1
(CURRENCY, DENOMINATION, FORM)

(1) Currency; Denomination.

This series of Notes (the ***Notes***) of **[**ZF Friedrichshafen AG**] [**ZF Europe Finance B.V.**] ([*ZF Friedrichshafen AG*] [*ZF Europe Finance B.V.*]** or the ***Issuer***) is being issued in **[*Specified Currency*]** (the ***Specified Currency***) in the aggregate principal amount **[*in the case the Global Note is an NGN the following applies:*** (subject to § 1(3))**]** of **[*aggregate principal amount*]** (in words: **[*aggregate principal amount in words*]**) in the denomination of **[*Specified Denomination*]** (the ***Specified Denomination***).

(2) Form.

The Notes are being issued in bearer form.

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

(3) Permanent Global Note.

The Notes are represented by a permanent global note (the ***Permanent Global Note*** or the ***Global Note***) without coupons. The Permanent Global Note shall be signed manually by authorized signatories of the Issuer and shall be authenticated by or on behalf of the Fiscal Agent. Definitive Notes and interest coupons will not be issued.**]**

[*In the case of Notes which are initially represented by a Temporary Global Note the following applies:*

(3) Temporary Global Note – Exchange.

(a) The Notes are initially represented by a temporary global note (the ***Temporary Global Note***) without coupons. The Temporary Global Note will be exchangeable for Notes in Specified Denominations represented by a permanent global note (the ***Permanent***

EMISSIONSBEDINGUNGEN

§ 1
(WÄHRUNG, STÜCKELUNG, FORM)

(1) Währung; Stückelung.

Diese Serie von Schuldverschreibungen (die ***Schuldverschreibungen***) der **[**ZF Friedrichshafen AG**] [**ZF Europe Finance B.V.**] ([*ZF Friedrichshafen AG*] [*ZF Europe Finance B.V.*]** oder die ***Emittentin***) wird in **[*Festgelegte Währung*]** (die ***Festgelegte Währung***) im Gesamtnennbetrag **[*falls die Globalurkunde eine NGN (New Global Note) ist, ist folgendes anwendbar*:** (vorbehaltlich § 1(3))**]** von **[*Gesamtnennbetrag*]** (in Worten: **[*Gesamtnennbetrag in Worten*]**) in einer Stückelung von **[*Festgelegte Stückelung*]** (die ***Festgelegte Stückelung***) begeben.

(2) Form.

Die Schuldverschreibungen lauten auf den Inhaber.

[*Im Fall von Schuldverschreibungen, die durch eine Dauerglobalurkunde verbrieft sind, ist folgendes anwendbar:*

(3) Dauerglobalurkunde.

Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die ***Dauerglobalurkunde*** oder die ***Globalurkunde***) ohne Zinsscheine verbrieft. Die Dauerglobalurkunde trägt die eigenhändigen Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.**]**

[*Im Fall von Schuldverschreibungen, die anfänglich durch eine Vorläufige Globalurkunde verbrieft sind, ist folgendes anwendbar:*

(3) Vorläufige Globalurkunde – Austausch.

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die ***Vorläufige Globalurkunde***) ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen Schuldverschreibungen in den

Global Note and together with the Temporary Global Note, the ***Global Notes***) without coupons. **[*In the case of Euroclear and CBL and if the Global Note is an NGN the following applies:*** The details of such exchange shall be entered in the records of the ICSDs (as defined below).**]** The Global Notes shall each be signed manually by authorized signatories of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive Notes and interest coupons will not be issued.

Festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die ***Dauerglobalurkunde*** und zusammen mit der Vorläufigen Globalurkunde, die ***Globalurkunden***) ohne Zinsscheine verbrieft sind, ausgetauscht. **[*Im Fall von Euroclear und CBL und wenn die Globalurkunde eine NGN ist, ist folgendes anwendbar:*** Die Einzelheiten eines solchen Austausches werden in die Aufzeichnungen der ICSDs (wie nachstehend definiert) aufgenommen.**]** Die Globalurkunden tragen jeweils die eigenhändigen Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the ***Exchange Date***) not earlier than 40 days after the date of issue of the Notes. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Notes will be treated as a request to exchange the Temporary Global Note pursuant to subparagraph (b) of this § 1(3). Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 1(6)).**]**

(b) Die Vorläufige Globalurkunde wird an einem Tag (der ***Austauschtag***) gegen die Dauerglobalurkunde ausgetauscht, der nicht weniger als 40 Tage nach dem Tag der Begebung der Schuldverschreibungen liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Solange die Schuldverschreibungen durch eine Vorläufige Globalurkunde verbrieft sind, werden Zinszahlungen erst nach Vorlage dieser Bescheinigungen vorgenommen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Begebung der Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, diese Vorläufige Globalurkunde gemäß Absatz (b) dieses § 1(3) auszutauschen. Schuldverschreibungen, die im Austausch für die Vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 1(6) definiert) geliefert werden.**]**

(4) Clearing System.

Each Global Note will be kept in custody by or on behalf of the 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**]** the following: **[**Clearstream Banking AG, Frankfurt am Main (***CBF***)**] [**Clearstream Banking S.A. (***CBL***)**] [**and**] [**Euroclear Bank SA/NV as operator of the Euroclear System (***Euroclear***)**]** and any successor in such capacity. **[*In the case of CBL and Euroclear as Clearing System the following applies: International Central Securities Depositary*** or ***ICSD*** means each of CBL and Euroclear (together, the ***ICSDs***).**]**

[*In the case of Notes kept in custody on behalf of the ICSDs and the global note is an NGN, the following applies:* 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 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 customer's interest in the Notes) shall be conclusive evidence of the 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 any 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 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

(4) Clearingsystem.

Die Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. ***Clearingsystem*** bedeutet **[*bei mehr als einem Clearingsystem ist folgendes anwendbar:*** jeweils**]** folgendes: **[**Clearstream Banking AG, Frankfurt am Main (***CBF***)**] [**Clearstream Banking S.A. (***CBL***)**] [**und**] [**Euroclear Bank SA/NV als Betreiberin des Euroclear Systems (***Euroclear***)**]** sowie jeder Funktionsnachfolger. **[*Im Fall von CBL oder Euroclear als Clearingsystem ist folgendes anwendbar*: ***International Central Securities Depositary*** oder ***ICSD*** bezeichnet jeweils CBL und Euroclear (zusammen die ***ICSDs***).**]**

[*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und falls die Globalurkunde eine NGN ist, ist folgendes anwendbar:* Die Schuldverschreibungen werden in Form einer New Global Note (***NGN***) ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.

Der Nennbetrag 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 Nennbetrag 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 zu jedem Zeitpunkt ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD.

Bei Rückzahlung oder 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 jede Rückzahlung und Zahlung bzw. Kauf und Entwertung bezüglich der Globalurkunden *pro rata* in die Unterlagen der ICSDs eingetragen werden, und nach dieser Eintragung vom Nennbetrag der in die Register der ICSDs aufgenommenen und

the Notes so redeemed or purchased and cancelled.**]**

[*In the case of Notes kept in custody on behalf of the ICSDs and the global note is a CGN, the following applies:* The Notes are issued in classical global note (***CGN***) form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

(5) Holder of Notes.

Holder means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

[*In the case the Temporary Global Note is an NGN, the following applies:* 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.**]**

(6) United States.

For the purposes of these Terms and Conditions, ***United States*** means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

§ 2
(STATUS, NEGATIVE PLEDGE [*IN THE CASE OF NOTES ISSUED BY ZF EUROPE FINANCE B.V., THE FOLLOWING APPLIES:* , GUARANTEE])

(1) Status.

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations of the Issuer, present or future, unless such obligations are accorded priority under mandatory provisions of statutory law.

durch die Globalurkunde verbrieften Schuldschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.**]**

[*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und falls die Globalurkunde eine CGN ist, ist folgendes anwendbar:* Die Schuldverschreibungen werden in Form einer Classical Global Note (***CGN***) ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.**]**

(5) Gläubiger von Schuldverschreibungen.

Gläubiger bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Rechts an den Schuldverschreibungen.

[*Falls die Globalurkunde eine NGN ist, ist folgendes anwendbar:* Bei Austausch nur eines Teils von Schuldverschreibungen, die durch eine Vorläufige Globalurkunde verbrieft sind, wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Register der ICSDs aufgenommen werden.**]**

(6) Vereinigte Staaten.

Für die Zwecke dieser Emissionsbedingungen bezeichnet ***Vereinigte Staaten*** die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

§ 2
(STATUS, NEGATIVVERPFLICHTUNG [*IM FALL VON SCHULDVERSCHREIBUNGEN, DIE VON ZF EUROPE FINANCE B.V. BEGEBEN WERDEN, IST FOLGENDES ANWENDBAR*: , GARANTIE])

(1) Status.

Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht nachrangige und nicht besicherte Verbindlichkeiten der Emittentin und stehen im gleichen Rang untereinander und mindestens im gleichen Rang mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin, soweit diesen Verbindlichkeiten nicht durch

zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

(2) Negative Pledge of the Issuer.

**[*In the case of Notes issued by ZF Friedrichshafen AG, the following applies:*

(a) While any amounts remain outstanding under the Notes, but only up to the time all amounts payable to Holders under the Notes in accordance with these Terms and Conditions have been paid to the Clearing System or to its order, the Issuer undertakes

(i) it will not create or permit to subsist any security interest *in rem* (*dingliche Sicherheit*) over all or part of its present or future assets as security for any Capital Market Indebtedness (as defined in § 2(2)(d)) (including any guarantees and indemnities given in respect thereof), and

(ii) it will procure, to the extent legally permissible, that no Material Subsidiary will at any time create or permit to subsist any security interest *in rem* upon all or any of its present or future assets as security for any Capital Market Indebtedness (including any guarantees and indemnities given in respect thereof) issued by the Issuer or a Material Subsidiary,

unless at the same time or prior thereto, the Issuer's obligations under the Notes are secured equally and rateably therewith or benefit from a security interest *in rem* in substantially identical terms thereto.

(b) Exemptions from the Negative Pledge of the Issuer. The undertaking pursuant to

(2) Negativverpflichtung der Emittentin.

**[*Bei von ZF Friedrichshafen AG begebenen Schuldverschreibungen, ist folgendes anwendbar*:

(a) Solange Zahlungen aus den Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle auf die Schuldverschreibungen gemäß diesen Emissionsbedingungen an die Gläubiger zu zahlenden Beträge an das Clearingsystem oder an dessen Order gezahlt worden sind, verpflichtet sich die Emittentin

(i) für Kapitalmarktverbindlichkeiten (wie in § 2(2)(d) definiert) (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen) keine dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens zu gewähren oder bestehen zu lassen, und

(ii) soweit rechtlich möglich, sicherzustellen, dass keine Wesentliche Tochtergesellschaft für Kapitalmarktverbindlichkeiten (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen), die von der Emittentin oder einer Wesentlichen Tochtergesellschaft begeben wurden, irgendwelche dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens gewährt oder bestehen lässt,

sofern nicht die Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig und anteilig an einer solchen dinglichen Sicherheit teilhaben, oder diesbezüglich eine dingliche Sicherheit zu im Wesentlichen gleichen Bedingungen bestellt wird.

(b) Ausnahmen von der Negativverpflichtung der Emittentin.

§ 2(2)(a) shall not apply to a security which

(i) is mandatory according to applicable laws, or

(ii) is required as a prerequisite for governmental approvals, or

(iii) is existing on the issue date of the Notes, or

(iv) is provided by the Issuer or by any Material Subsidiary over any of the Issuer's claims or claims of any Material Subsidiary against any affiliated companies within the meaning of § 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz*) or any third party, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the issuance of any securities, provided that any such security serves to secure obligations under such securities issued by the Issuer or by a Material Subsidiary, or

(v) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Issuer or any member of the Group as a consequence of such acquisition, provided that such Capital Market Indebtedness was not created in contemplation of such acquisition, or

(vi) is provided in connection with any issuance of asset backed securities by the Issuer or by any member of the Group, or

(vii) is provided in respect of any issuance of asset backed securities made by a special purpose vehicle where the Issuer or any member of the Group is the originator of the underlying assets, or

Die Verpflichtung nach § 2(2)(a) besteht jedoch nicht für solche Sicherheiten, die

(i) gesetzlich vorgeschrieben sind, oder

(ii) als Voraussetzung für staatliche Genehmigungen verlangt werden, oder

(iii) am Begebungstag der Schuldverschreibungen bestehen, oder

(iv) durch die Emittentin oder von einer Wesentlichen Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen der Emittentin oder Ansprüchen einer Wesentlichen Tochtergesellschaft gegen verbundene Unternehmen im Sinne der §§ 15 ff. Aktiengesetz oder gegen Dritte aufgrund der Weiterleitung von Erlösen aus der Emission von Wertpapieren bestehen, soweit diese Sicherheiten zur Sicherung von Verpflichtungen aus diesen durch die Emittentin oder durch eine Wesentliche Tochtergesellschaft ausgegebenen Wertpapieren dienen, oder

(v) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichern, die infolge der Akquisition eine Verpflichtung der Emittentin oder einer Gesellschaft der Gruppe wird, sofern diese Kapitalmarktverbindlichkeit nicht im Hinblick auf diese Akquisition begründet wurde, oder

(vi) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch die Emittentin oder eine Gesellschaft der Gruppe bestellt werden, oder

(vii) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch eine Zweckgesellschaft gegeben werden, bei denen die Emittentin oder eine Gesellschaft der Gruppe der Originator der

(viii) is provided in respect of any financing of any project or asset, provided that the assets on which the security is created are (A) the assets which are used or to be used in or in connection with the project to which such Capital Markets Indebtedness relates or (B) revenues or claims which arise from the use, operation, failure to meet specifications, exploitation, sale, or loss of or damage to, such assets and provided further that such Capital Markets Indebtedness is not directly or indirectly the subject of any guarantee, indemnity or other form of assurance, undertaking or support from any other member of the Group, or

(ix) constitutes the renewal, extension or replacement of any security pursuant to foregoing (i) through (viii), or

(x) do not fall within the scope of application of (i) through (ix) above and which secure Capital Market Indebtedness with a principal amount (when aggregated with the principal amount of other Capital Markets Indebtedness which has the benefit of security (issued by the Issuer or any Material Subsidiary) other than any falling within the scope of application of (i) through (ix) above) not exceeding EUR 300,000,000 (or its equivalent in other currencies).

(c) Any security which is to be provided pursuant to § 2(2)(a) may also be

zugrunde liegenden Vermögenswerte ist, oder

(viii) im Zusammenhang mit der Finanzierung von Projekten oder Vermögensgegenständen gegeben werden, vorausgesetzt, dass die Vermögensgegenstände, an denen das Sicherungsrecht besteht, (A) Vermögensgegenstände sind, die in dem Projekt oder im Zusammenhang mit dem Projekt, auf das sich die Kapitalmarktverbindlichkeiten beziehen, genutzt werden oder genutzt werden sollen, oder (B) Einnahmen oder Ansprüche sind, die aufgrund der Nutzung, des Betriebs, der Nichteinhaltung von Spezifikationen, der Verwertung, des Verkaufs, des Verlusts/Untergangs oder der Beschädigung dieser Vermögensgegenstände entstehen, und weiter vorausgesetzt, dass diese Kapitalmarktverbindlichkeiten weder direkt noch indirekt Gegenstand einer Garantie, Freistellung oder anderen Form der Zusicherung, Verpflichtung oder Unterstützung irgendeines anderen Mitglieds der Gruppe sind, oder

(ix) eine Erneuerung, Verlängerung oder Ersetzung irgendeiner Sicherheit gemäß vorstehend (i) bis (viii) darstellen, oder

(x) nicht in den Anwendungsbereich von (i) bis (ix) fallen und Kapitalmarktverbindlichkeiten besichern, deren Kapitalbetrag (zusammen mit dem Kapitalbetrag anderer Kapitalmarktverbindlichkeiten, für die andere dingliche Sicherheiten als solche (begeben durch die Emittentin oder eine Wesentliche Tochtergesellschaft), die in den Anwendungsbereich von (i) bis (ix) fallen, bestehen) EUR 300.000.000 (bzw. den Gegenwert in anderen Währungen) nicht überschreitet.

(c) Eine nach § 2(2)(a) zu stellende Sicherheit kann auch zu Gunsten der

provided to a person acting as trustee for the Holders.

Person eines Treuhänders der Gläubiger bestellt werden.

(d) Definitions.

The expressions "assets" and "obligation for the payment or repayment of money that is borrowed" as used in this § 2(2) do not include assets of the Issuer or any Material Subsidiary which, pursuant to the requirements of law and accounting principles generally accepted in the Federal Republic of Germany (***Germany***) or such other applicable law and accepted accounting principles generally, as the case may be, need not, and are not, reflected in the Issuer's or in a Material Subsidiary's balance sheets.

(d) Definitionen.

Die in diesem § 2(2) benutzten Begriffe "Vermögen" und "Verpflichtung zur Zahlung oder Rückzahlung von Geldern" schließen nicht solche Vermögensgegenstände der Emittentin oder einer Wesentlichen Tochtergesellschaft mit ein, die im Einklang mit den Gesetzen der Bundesrepublik Deutschland (***Deutschland***) und den dort anerkannten Regeln der Bilanzierung und Buchführung oder den jeweils anwendbaren Gesetzen und anerkannten Regeln der Bilanzierung und Buchführung nicht in den Bilanzen der Emittentin oder einer Wesentlichen Tochtergesellschaft ausgewiesen werden müssen und darin auch nicht ausgewiesen werden.

Capital Market Indebtedness means any present or future obligation for the payment or repayment of money (including obligations by reason of any guarantee or other liability agreement for obligations of third parties) that is borrowed either in the form of (i) bonded loans (*Schuldscheindarlehen*), (ii) registered notes (*Namensschuldverschreibungen*), or (iii) in the form of an issuance of notes with an original maturity of more than one year and which are, or are capable of being, quoted, listed or traded on a stock exchange or other recognized securities market.

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder zukünftige Verpflichtung zur Zahlung oder Rückzahlung von Geldern (einschließlich Verpflichtungen aus Garantien oder anderen Haftungsvereinbarungen für Verbindlichkeiten von Dritten) entweder (i) aus Schuldscheindarlehen, (ii) aus Namensschuldverschreibungen oder (iii) aus Schuldverschreibungen, sofern diese eine ursprüngliche Laufzeit von mehr als einem Jahr haben und an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden oder notiert, zugelassen oder gehandelt werden können.

Group means the Issuer and all of its fully consolidated Subsidiaries (as defined in this § 2(2)(d)) from time to time.

Gruppe bezeichnet die Emittentin und ihre jeweiligen vollkonsolidierten Tochtergesellschaften (wie in diesem § 2(2)(d) definiert).

Subsidiary means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right of ownership and "control" in this context means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise within the meaning of § 17 of the German Stock Corporation Act (*Aktiengesetz*) (cases of multiple

Tochtergesellschaft bezeichnet ein Unternehmen, bei dem eine Person die unmittelbare oder mittelbare Kontrolle besitzt oder unmittelbar oder mittelbar Eigentümer von mehr als 50 % des stimmberechtigten Kapitals oder entsprechender Eigentumsrechte ist; "Kontrolle" bedeutet in diesem Zusammenhang die Berechtigung, die Geschäftsführung und die Politik des Unternehmens sei es über das

dependency (*mehrfache Abhängigkeit*) in relation of joint ventures where no partner holds more than 50% of the voting rights shall be excluded).

Material Subsidiaries means a Subsidiary of the Issuer which has unconsolidated earnings before interest, taxes, depreciation and amortization (***EBITDA***) or unconsolidated gross assets (based on the latest annual financial statements of the respective Subsidiary which was consolidated into the latest audited consolidated financial statements of the Group) representing 5% or more of the unconsolidated EBITDA or unconsolidated gross assets of the Group, provided that any newly acquired subsidiary of the Issuer shall in no event constitute a Material Subsidiary until expiry of a six-month period from the completion of the relevant acquisition. A certificate issued by the Issuer's auditors stating that a Subsidiary is or is not or was or was not at a specified date a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

(a) While any amounts remain outstanding under the Notes, but only up to the time all amounts payable to Holders under the Notes in accordance with these Terms and Conditions have been paid to the Clearing System or to its order, the Issuer undertakes that it will not create or permit to subsist any security interest *in rem* (*dingliche Sicherheit*) over all or part of its present or future assets as security for any Capital Market Indebtedness (as defined in § 2(4)) (including any guarantees and indemnities given in respect thereof) issued by the Issuer, unless the Issuer's obligations under the Notes are secured equally and rateably therewith or benefit

Eigentum am stimmberechtigten Kapital, mittels eines Vertrages oder auf andere Weise im Sinne von § 17 Aktiengesetz zu bestimmen (Fälle mehrfacher Abhängigkeit bei Gemeinschaftsunternehmen, bei denen kein Partner mehr als 50 % der Stimmrechte hält, sind dabei ausgeschlossen).

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Emittentin, deren unkonsolidiertes Ergebnis vor Zinsen, Steuern, Abschreibungen und Abschreibungen auf immaterielle Vermögenswerte (***EBITDA***) oder unkonsolidiertes Bruttovermögen (gemäß dem letzten Jahresabschluss der betreffenden Tochtergesellschaft, der in den letzten geprüften Konzernabschluss konsolidiert wurde) mindestens 5 % des unkonsolidierten EBITDA oder unkonsolidierten Bruttovermögens der Gruppe ausmacht, wobei eine neu erworbene Tochtergesellschaft der Emittentin bis zum Ablauf von sechs Monaten ab Durchführung des Erwerbs nicht als Wesentliche Tochtergesellschaft gilt. Ein Bericht der Wirtschaftsprüfer der Emittentin darüber, ob ihrer Meinung nach eine Tochtergesellschaft zu einem bestimmten Zeitpunkt eine Wesentliche Tochtergesellschaft ist oder war bzw. nicht ist oder nicht war, ist, sofern nicht ein offensichtlicher Irrtum vorliegt, für alle Beteiligten endgültig und bindend.**]**

[*Bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar*:

(a) Solange Zahlungen aus den Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle auf die Schuldverschreibungen gemäß diesen Emissionsbedingungen an die Gläubiger zu zahlenden Beträge an das Clearingsystem oder an dessen Order gezahlt worden sind, verpflichtet sich die Emittentin, für Kapitalmarktverbindlichkeiten (wie in § 2(4) definiert) (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen), die von der Emittentin begeben worden sind, keine dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges

from a security interest *in rem* in substantially identical terms thereto.

Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens zu gewähren oder bestehen zu lassen, sofern nicht die Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig und anteilig an einer solchen dinglichen Sicherheit teilhaben, oder diesbezüglich eine dingliche Sicherheit zu im Wesentlichen gleichen Bedingungen bestellt wird.

(b) Exemptions from the Negative Pledge of the Issuer. The undertaking pursuant to § 2(2)(a) shall not apply to a security which

(b) Ausnahmen von der Negativverpflichtung der Emittentin. Die Verpflichtung nach § 2(2)(a) besteht jedoch nicht für solche Sicherheiten, die

(i) is mandatory according to applicable laws, or

(i) gesetzlich vorgeschrieben sind, oder

(ii) is required as a prerequisite for governmental approvals, or

(ii) als Voraussetzung für staatliche Genehmigungen verlangt werden, oder

(iii) is existing on the issue date of the Notes, or

(iii) am Begebungstag der Schuldverschreibungen bestehen, oder

(iv) provided by the Issuer over any of the Issuer's claims against any affiliated companies within the meaning of § 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz*) or any third party, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the issuance of any securities, provided that any such security serves to secure obligations under such securities issued by the Issuer, or

(iv) durch die Emittentin zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen der Emittentin gegen verbundene Unternehmen im Sinne der §§ 15 ff. Aktiengesetz oder gegen Dritte aufgrund der Weiterleitung von Erlösen aus der Emission von Wertpapieren bestehen, soweit diese Sicherheiten zur Sicherung von Verpflichtungen aus diesen durch die Emittentin ausgegebenen Wertpapieren dienen, oder

(v) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Issuer or any member of the Group as a consequence of such acquisition, provided that such Capital Market Indebtedness was not created in contemplation of such acquisition, or

(v) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichern, die infolge der Akquisition eine Verpflichtung der Emittentin oder einer Gesellschaft der Gruppe wird, sofern diese Kapitalmarktverbindlichkeit nicht im Hinblick auf diese Akquisition begründet wurde, oder

(vi) is provided in connection with any issuance of asset backed securities by the Issuer or by any member of the Group, or

(vi) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch die Emittentin oder eine

Gesellschaft der Gruppe bestellt werden, oder

(vii) is provided in respect of any issuance of asset backed securities made by a special purpose vehicle where the Issuer or any member of the Group is the originator of the underlying assets, or

(vii) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch eine Zweckgesellschaft gegeben werden, bei denen die Emittentin oder eine Gesellschaft der Gruppe der Originator der zugrunde liegenden Vermögenswerte ist, oder

(viii) is provided in respect of any financing of any project or asset, provided that the assets on which the security is created are (A) the assets which are used or to be used in or in connection with the project to which such Capital Markets Indebtedness relates or (B) revenues or claims which arise from the use, operation, failure to meet specifications, exploitation, sale, or loss of or damage to, such assets and provided further that such Capital Markets Indebtedness is not directly or indirectly the subject of any guarantee, indemnity or other form of assurance, undertaking or support from any other member of the Group, or

(viii) im Zusammenhang mit der Finanzierung von Projekten oder Vermögensgegenständen gegeben werden, vorausgesetzt, dass die Vermögensgegenstände, an denen das Sicherungsrecht besteht, (A) Vermögensgegenstände sind, die in dem Projekt oder im Zusammenhang mit dem Projekt, auf das sich die Kapitalmarktverbindlichkeiten beziehen, genutzt werden oder genutzt werden sollen, oder (B) Einnahmen oder Ansprüche sind, die aufgrund der Nutzung, des Betriebs, der Nichteinhaltung von Spezifikationen, der Verwertung, des Verkaufs, des Verlusts/Untergangs oder der Beschädigung dieser Vermögensgegenstände entstehen, und weiter vorausgesetzt, dass diese Kapitalmarktverbindlichkeiten weder direkt noch indirekt Gegenstand einer Garantie, Freistellung oder anderen Form der Zusicherung, Verpflichtung oder Unterstützung irgendeines anderen Mitglieds der Gruppe sind, oder

(ix) constitutes the renewal, extension or replacement of any security pursuant to foregoing (i) through (viii), or

(ix) eine Erneuerung, Verlängerung oder Ersetzung irgendeiner Sicherheit gemäß vorstehend (i) bis (viii) darstellen, oder

(x) do not fall within the scope of application of (i) through (ix) above and which secure Capital Market Indebtedness with a principal amount (when aggregated with the principal amount of other Capital Markets Indebtedness which has the benefit of security issued by the Issuer, the Guarantor or any Material Subsidiary (as defined in§ 2(4)) other than any falling

(x) nicht in den Anwendungsbereich von (i) bis (ix) fallen und Kapitalmarktverbindlichkeiten besichern, deren Kapitalbetrag (zusammen mit dem Kapitalbetrag anderer Kapitalmarktverbindlichkeiten, für die andere dingliche Sicherheiten als solche (begeben durch die Emittentin, die Garantin oder eine Wesentliche

within the scope of application of (i) through (ix) above) not exceeding EUR 300,000,000 (or its equivalent in other currencies).

(c) Any security which is to be provided pursuant to this § 2(2)(a) may also be provided to a person acting as trustee for the Holders.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

(3) Guarantee and Negative Pledge.

(a) ZF Friedrichshafen AG (the ***Guarantor***) has given an unconditional and irrevocable guarantee (the ***Guarantee***) for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Notes. The Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*)[8], giving rise to the right of each Holder to require performance of the obligations assumed in the Guarantee directly from the Guarantor and to enforce such obligations directly against the Guarantor. Copies of the Guarantee may be obtained free of charge at the specified office of the Fiscal Agent.

(b) Negative Pledge of the Guarantor. While any amounts remain outstanding under the Notes, but only up to the time all amounts payable to Holders under the Notes in accordance with these Terms and Conditions have been paid to the Clearing System or to its order, the Guarantor has undertaken in the Guarantee that

(i) it will not create or permit to subsist any security interest *in rem* (*dingliche Sicherheit*) over all or part of its present or future assets as security for any Capital Market

Tochtergesellschaft (wie in § 2(4) definiert)), die in den Anwendungsbereich von (i) bis (ix) fallen, bestehen) EUR 300.000.000 (bzw. den Gegenwert in anderen Währungen) nicht überschreitet.

(c) Eine nach § 2(2)(a) zu stellende Sicherheit kann auch zu Gunsten der Person eines Treuhänders der Gläubiger bestellt werden.**]**

[*Im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*

(3) Garantie und Negativverpflichtung.

(a) Die ZF Friedrichshafen AG (die ***Garantin***) hat eine unbedingte und unwiderrufliche Garantie (die ***Garantie***) für die ordnungsgemäße und pünktliche Zahlung von Kapital und Zinsen auf die Schuldverschreibungen sowie von jeglichen sonstigen Beträgen, die auf die Schuldverschreibungen zahlbar sind, übernommen. Die Garantie stellt einen Vertrag zugunsten Dritter im Sinne des § 328 Abs. 1 BGB dar, der jedem Gläubiger das Recht gibt, die Erfüllung der in der Garantie übernommenen Verpflichtungen unmittelbar von der Garantin zu verlangen und die Garantie unmittelbar gegen die Garantin durchzusetzen. Kopien der Garantie sind kostenfrei bei der bezeichneten Geschäftsstelle der Emissionsstelle erhältlich.

(b) Negativverpflichtung der Garantin. Solange Zahlungen aus den Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle auf die Schuldverschreibungen gemäß diesen Emissionsbedingungen an die Gläubiger zu zahlenden Beträge an das Clearingsystem oder an dessen Order gezahlt worden sind, hat sich die Garantin in der Garantie verpflichtet,

(i) für Kapitalmarktverbindlichkeiten (wie in § 2(4) definiert) (einschließlich hierfür abgegebener Garantien und

[8] An English language convenience translation of § 328 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) reads as follows: A contract may stipulate performance for the benefit of a third party, to the effect that the third party acquires the right directly to demand performance.

Indebtedness (as defined in § 2(4)) (including any guarantees and indemnities given in respect thereof), and

Freistellungserklärungen) keine dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens zu gewähren oder bestehen zu lassen, und

(ii) it will procure, to the extent legally permissible, that no Material Subsidiary (as defined in § 2(4)) will at any time create or permit to subsist any security interest in rem upon all or any of its present or future assets as security for any Capital Market Indebtedness (including any guarantees and indemnities given in respect thereof) issued by the Guarantor or a Material Subsidiary,

(ii) soweit rechtlich möglich, sicherzustellen, dass keine ihrer Wesentlichen Tochtergesellschaften (wie in § 2(4) definiert) Sicherungsrechte an gegenwärtigen oder zukünftigen Teilen ihres Vermögens oder ihres Vermögens insgesamt zur Sicherung der gegenwärtigen oder zukünftigen Kapitalmarkt-verbindlichkeiten, bestellt oder fortbestehen lässt, ohne jeweils die Gläubiger zur gleichen Zeit auf gleiche Weise und anteilig an diesen Sicherungsrechten teilhaben zu lassen.

unless at the same time or prior thereto, the Issuer's obligations under the Notes are secured equally and rateably therewith or benefit from a security interest *in rem* in substantially identical terms thereto.

sofern nicht die Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig und anteilig an einer solchen dinglichen Sicherheit teilhaben, oder diesbezüglich eine dingliche Sicherheit zu im Wesentlichen gleichen Bedingungen bestellt wird.

(c) Exemptions from the Negative Pledge of the Guarantor. The undertaking pursuant to § 2(3)(b) shall not apply to a security which

(c) Ausnahmen von der Negativverpflichtung der Garantin. Die Verpflichtung nach § 2(3)(b) besteht jedoch nicht für solche Sicherheiten, die

(i) is mandatory according to applicable laws, or

(i) gesetzlich vorgeschrieben sind, oder

(ii) is required as a prerequisite for governmental approvals, or

(ii) als Voraussetzung für staatliche Genehmigungen verlangt werden, oder

(iii) is existing on the issue date of the Notes, or

(iii) am Begebungstag der Schuldverschreibungen bestehen, oder

(iv) provided by the Guarantor or by any Material Subsidiary over any of the Guarantor's claims or claims of any Material Subsidiary against any affiliated companies within the meaning of § 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz*) or any third party, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from

(iv) durch die Garantin oder von einer Wesentlichen Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen der Garantin oder Ansprüchen einer Wesentlichen Tochtergesellschaft gegen verbundene Unternehmen im Sinne der §§ 15 ff. Aktiengesetz oder gegen Dritte aufgrund der

the issuance of any securities, provided that any such security serves to secure obligations under such securities issued by the Guarantor or by a Material Subsidiary, or

Weiterleitung von Erlösen aus der Emission von Wertpapieren bestehen, soweit diese Sicherheiten zur Sicherung von Verpflichtungen aus diesen durch die Garantin oder durch eine Wesentliche Tochtergesellschaft ausgegebenen Wertpapieren dienen, oder

(v) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Guarantor or any member of the Group as a consequence of such acquisition, provided that such Capital Market Indebtedness was not created in contemplation of such acquisition, or

(v) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichern, die infolge der Akquisition eine Verpflichtung der Garantin oder einer Gesellschaft der Gruppe wird, sofern diese Kapitalmarktverbindlichkeit nicht im Hinblick auf diese Akquisition begründet wurde, oder

(vi) is provided in connection with any issuance of asset backed securities by the Guarantor or by any member of the Group, or

(vi) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch die Garantin oder eine Gesellschaft der Gruppe bestellt werden, oder

(vii) is provided in respect of any issuance of asset backed securities made by a special purpose vehicle where the Guarantor or any member of the Group is the originator of the underlying assets, or

(vii) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch eine Zweckgesellschaft gegeben werden, bei denen die Garantin oder eine Gesellschaft der Gruppe der Originator der zugrunde liegenden Vermögenswerte ist, oder

(viii) is provided in respect of any financing of any project or asset, provided that the assets on which the security is created are (A) the assets which are used or to be used in or in connection with the project to which such Capital Markets Indebtedness relates or (B) revenues or claims which arise from the use, operation, failure to meet specifications, exploitation, sale, or loss of or damage to, such assets and provided further that such Capital Markets Indebtedness is not directly or indirectly the subject of any guarantee, indemnity or other form of assurance, undertaking or support from any other member of the Group, or

(viii) im Zusammenhang mit der Finanzierung von Projekten oder Vermögensgegenständen gegeben werden, vorausgesetzt, dass die Vermögensgegenstände, an denen das Sicherungsrecht besteht, (A) Vermögensgegenstände sind, die in dem Projekt oder im Zusammenhang mit dem Projekt, auf das sich die Kapitalmarktverbindlichkeiten beziehen, genutzt werden oder genutzt werden sollen, oder (B) Einnahmen oder Ansprüche sind, die aufgrund der Nutzung, des Betriebs, der Nichteinhaltung von Spezifikationen, der Verwertung, des Verkaufs, des Verlusts/Untergangs oder der Beschädigung dieser Vermögensgegenstände

entstehen, und weiter vorausgesetzt, dass diese Kapitalmarktverbindlichkeiten weder direkt noch indirekt Gegenstand einer Garantie, Freistellung oder anderen Form der Zusicherung, Verpflichtung oder Unterstützung irgendeines anderen Mitglieds der Gruppe sind, oder

(ix) constitutes the renewal, extension or replacement of any security pursuant to foregoing (i) through (viii), or

(ix) eine Erneuerung, Verlängerung oder Ersetzung irgendeiner Sicherheit gemäß vorstehend (i) bis (viii) darstellen, oder

(x) do not fall within the scope of application of (i) through (ix) above and which secure Capital Market Indebtedness with a principal amount (when aggregated with the principal amount of other Capital Markets Indebtedness which has the benefit of security (issued by the Issuer, the Guarantor or any Material Subsidiary) other than any falling within the scope of application of (i) through (ix) above) not exceeding EUR 300,000,000 (or its equivalent in other currencies).

(x) nicht in den Anwendungsbereich von (i) bis (ix) fallen und Kapitalmarktverbindlichkeiten besichern, deren Kapitalbetrag (zusammen mit dem Kapitalbetrag anderer Kapitalmarktverbindlichkeiten, für die andere dingliche Sicherheiten als solche (begeben durch die Emittentin, die Garantin oder eine Wesentliche Tochtergesellschaft), die in den Anwendungsbereich von (i) bis (ix) fallen, bestehen) EUR 300.000.000 (bzw. den Gegenwert in anderen Währungen) nicht überschreitet.

(d) Any security which is to be provided pursuant to § 2(3)(b) may also be provided to a person acting as trustee for the Holders.

(d) Eine nach § 2(3)(b) zu stellende Sicherheit kann auch zu Gunsten der Person eines Treuhänders der Gläubiger bestellt werden.

(e) Release of Guarantee. The Guarantee shall be released only upon discharge in full of the aggregate principal amount of all Notes then outstanding, any interest due thereon and all other amounts under the Notes then due and owing.]

(e) Freigabe der Garantie. Die Garantie darf nur nach vollständiger Zahlung des Gesamtnennbetrages aller zum jeweiligen Zeitpunkt ausstehenden Schuldverschreibungen, der hierauf fälligen Zinsen und jeglicher sonstigen zum jeweiligen Zeitpunkt fälligen und geschuldeten Beträge aus den Schuldverschreibungen freigegeben werden.]

**[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

**[*Im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*

(4) Definitions.

The expressions "assets" and "obligation for the payment or repayment of money that is borrowed" as used in this § 2 do not include assets of the Issuer, Guarantor or any Material Subsidiary which, pursuant to the requirements of law and accounting principles generally accepted in the Federal Republic of Germany (***Germany***) **[*in the case of Notes***

(4) Definitionen.

Die in diesem § 2 benutzten Begriffe "Vermögen" und "Verpflichtung zur Zahlung oder Rückzahlung von Geldern" schließen nicht solche Vermögensgegenstände der Emittentin, der Garantin oder einer Wesentlichen Tochtergesellschaft mit ein, die im Einklang mit den Gesetzen der

issued by ZF Europe Finance B.V., the following applies: and in the Kingdom of The Netherlands**]** or such other applicable law and accepted accounting principles generally, as the case may be, need not, and are not, reflected in the Issuer's, Guarantor's or in a Material Subsidiary's balance sheets.

Bundesrepublik Deutschland (***Deutschland***) **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** und des Königreichs der Niederlande**]** und den dort anerkannten Regeln der Bilanzierung und Buchführung oder den jeweils anwendbaren Gesetzen und anerkannten Regeln der Bilanzierung und Buchführung nicht in den Bilanzen der Emittentin, der Garantin oder einer Wesentlichen Tochtergesellschaft ausgewiesen werden müssen und darin auch nicht ausgewiesen werden.

Capital Market Indebtedness means any present or future obligation for the payment or repayment of money (including obligations by reason of any guarantee or other liability agreement for obligations of third parties) that is borrowed either in the form of (i) bonded loans (*Schuldscheindarlehen*), (ii) registered notes (*Namensschuldverschreibungen*), or (iii) in the form of an issuance of notes with an original maturity of more than one year and which are, or are capable of being, quoted, listed or traded on a stock exchange or other recognized securities market.

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder zukünftige Verpflichtung zur Zahlung oder Rückzahlung von Geldern (einschließlich Verpflichtungen aus Garantien oder anderen Haftungsvereinbarungen für Verbindlichkeiten von Dritten) entweder (i) aus Schuldscheindarlehen, (ii) aus Namensschuldverschreibungen oder (iii) aus Schuldverschreibungen, sofern diese eine ursprüngliche Laufzeit von mehr als einem Jahr haben und an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden oder notiert, zugelassen oder gehandelt werden können.

Group means the Guarantor and all of its fully consolidated Subsidiaries (as defined in this § 2(4)) from time to time.

Gruppe bezeichnet die Garantin und ihre jeweiligen vollkonsolidierten Tochtergesellschaften (wie in diesem § 2(4) definiert).

Subsidiary means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right of ownership and "control" in this context means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise within the meaning of § 17 of the German Stock Corporation Act (*Aktiengesetz*) (cases of multiple dependency (*mehrfache Abhängigkeit*) in relation of joint ventures where no partner holds more than 50% of the voting rights shall be excluded).

Tochtergesellschaft bezeichnet ein Unternehmen, bei dem eine Person die unmittelbare oder mittelbare Kontrolle besitzt oder unmittelbar oder mittelbar Eigentümer von mehr als 50 % des stimmberechtigten Kapitals oder entsprechender Eigentumsrechte ist; "Kontrolle" bedeutet in diesem Zusammenhang die Berechtigung, die Geschäftsführung und die Politik des Unternehmens sei es über das Eigentum am stimmberechtigten Kapital, mittels eines Vertrages oder auf andere Weise im Sinne von § 17 Aktiengesetz zu bestimmen (Fälle mehrfacher Abhängigkeit bei Gemeinschaftsunternehmen, bei denen kein Partner mehr als 50 % der Stimmrechte hält, sind dabei ausgeschlossen).

Material Subsidiaries means a Subsidiary of the Issuer which has unconsolidated earnings before interest, taxes, depreciation and amortization (***EBITDA***) or unconsolidated gross assets (based on the latest annual financial statements of the respective

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Emittentin, deren unkonsolidiertes Ergebnis vor Zinsen, Steuern, Abschreibungen und Abschreibungen auf immaterielle Vermögenswerte (***EBITDA***)

Subsidiary which was consolidated into the latest audited consolidated financial statements of the Group) representing 5% or more of the unconsolidated EBITDA or unconsolidated gross assets of the Group, provided that any newly acquired subsidiary of the Guarantor shall in no event constitute a Material Subsidiary until expiry of a six-month period from the completion of the relevant acquisition. A certificate issued by the Guarantor's auditors stating that a subsidiary is or is not or was or was not at a specified date a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.**]**

oder unkonsolidiertes Bruttovermögen (gemäß dem letzten Jahresabschluss der betreffenden Tochtergesellschaft, der in den letzten geprüften Konzernabschluss konsolidiert wurde) mindestens 5 % des unkonsolidierten EBITDA oder unkonsolidierten Bruttovermögens der Gruppe ausmacht, wobei eine neu erworbene Tochtergesellschaft der Garantin bis zum Ablauf von sechs Monaten ab Durchführung des Erwerbs nicht als Wesentliche Tochtergesellschaft gilt. Ein Bericht der Wirtschaftsprüfer der Garantin darüber, ob ihrer Meinung nach eine Tochtergesellschaft zu einem bestimmten Zeitpunkt eine Wesentliche Tochtergesellschaft ist oder war bzw. nicht ist oder nicht war, ist, sofern nicht ein offensichtlicher Irrtum vorliegt, für alle Beteiligten endgültig und bindend.**]**

§ 3
(INTEREST)

(1) Interest Payment Dates.

(a) The Notes shall bear interest on their Specified Denomination from (and including) **[*Interest Commencement Date*]** (the ***Interest Commencement Date***) to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date. Interest on the Notes shall be payable in arrear on each Interest Payment Date.

(b) ***Interest Payment Date*** means

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

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

(c) If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be:

§ 3
(ZINSEN)

(1) Zinszahlungstage.

(a) Die Schuldverschreibungen werden bezogen auf ihre Festgelegte Stückelung vom **[*Verzinsungsbeginn*]** (der ***Verzinsungsbeginn***) (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) verzinst. Die Zinsen auf die Schuldverschreibungen sind nachträglich an jedem Zinszahlungstag zahlbar.

(b) ***Zinszahlungstag*** bedeutet

[*Im Fall von festgelegten Zinszahlungstagen ist folgendes anwendbar:* jeder **[*festgelegte Zinszahlungstage*]**.**]**

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

(c) Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachfolgend definiert) ist, so wird der Zinszahlungstag

[*In case of Modified Following Business Day Convention, the following applies:* 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 the immediately preceding Business Day.**]**

[*Im Fall der modifizierten folgender Geschäftstag-Konvention ist folgendes anwendbar:* 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 vorhergehenden Geschäftstag vorgezogen.**]**

[*In case of FRN Convention, the following applies:* postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[*insert number*] [**months**] [*insert other specified periods*]** after the preceding applicable Interest Payment Date.**]**

[*Im Fall der FRN-Konvention ist folgendes anwendbar:* 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 vorhergehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der **[*Zahl einfügen*] [**Monate**] [*andere festgelegte Zeiträume einfügen*]** nach dem vorhergehenden anwendbaren Zinszahlungstag liegt.**]**

[*In case of Following Business Day Convention, the following applies:* postponed to the next day which is a Business Day.**]**

[*Im Fall der folgender Geschäftstag-Konvention ist folgendes anwendbar:* auf den nachfolgenden Geschäftstag verschoben.**]**

[*In case of Preceding Business Day Convention, the following applies:* the immediately preceding Business Day.**]**

[*Im Fall der vorhergehender Geschäftstag-Konvention ist folgendes anwendbar:* auf den unmittelbar vorhergehenden Geschäftstag vorgezogen.**]**

(d) In this § 3, ***Business Day*** means a day (other than a Saturday or a Sunday) on which the Clearing System is operational

(d) In diesem § 3 bezeichnet ***Geschäftstag*** einen Tag (außer einem Samstag oder Sonntag), an dem das Clearingsystem betriebsbereit ist

[*If relevant financial centre(s) is applicable, the following applies:* and on which commercial banks are generally open for business, and foreign exchange markets settle payments in **[*relevant financial centre(s)*]**.**]**

[*Falls relevante(s) Finanzzentrum(en) anwendbar ist, ist folgendes anwendbar:* und an dem Geschäftsbanken allgemein für Geschäfte in **[*relevante(s) Finanzzentrum(en)*]** geöffnet sind und Devisenmärkte Zahlungen in **[*relevante(s) Finanzzentrum(en)*]** abwickeln.**]**

[*If T2 is applicable, the following applies:* and all relevant parts of the real-time gross settlement system operated by the Eurosystem (T2) or any successor system are operational to effect the relevant payment.**]**

[*Falls T2 anwendbar ist, ist folgendes anwendbar:* sowie alle betroffenen Bereiche des real-time gross settlement system des Eurosystems (T2) oder ein Nachfolgesystem betriebsbereit sind, um die betreffende Zahlung abzuwickeln.**]**

(2) Rate of Interest.

[*In case the offered quotation for deposits in the Specified Currency is EURIBOR, the following applies:*

(a) The rate of interest (the ***Rate of Interest***) for each Interest Period (as defined below) will, except as provided below or in § 3(2)(b) **[*in case of Minimum Rate of Interest or Maximum Rate of Interest the following applies*:** or § 3(3)**]**, be the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a.m. (Brussels time) on the Interest Determination Date (as defined below) **[*in case of a Margin the following applies*:** **[**plus**]** **[**minus**]** the Margin (as defined below)**]**, all as determined by the Calculation Agent (as defined in § 6(1)).

Interest Period means each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date.

Interest Determination Date means the second T2 Business Day prior to the commencement of the relevant Interest Period. ***T2 Business Day*** means a day (other than a Saturday or Sunday) on which the real-time gross settlement system operated by the Eurosystem (T2) or any successor system is open for the settlement of payments in euro.

[*In case of a Margin, the following applies: Margin* means **[*insert relevant Margin*]**% *per annum*.**]**

Screen Page means the Reuters screen page EURIBOR01 or the relevant successor page on that service or on any other service as may be nominated as the information vendor for the purposes of displaying rates or prices comparable to the relevant offered quotation.

(2) Zinssatz.

[*Falls der Angebotssatz für Einlagen in der Festgelegten Währung EURIBOR ist, ist folgendes anwendbar:*

(a) Der Zinssatz (der ***Zinssatz***) für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend oder in § 3(2)(b) **[*im Fall eines Mindestzinssatzes oder Höchstzinssatzes ist folgendes anwendbar:*** oder § 3(3)**]** nichts Abweichendes bestimmt wird, der Angebotssatz (ausgedrückt als Prozentsatz *per annum*) für Einlagen in der Festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) um ca. 11.00 Uhr (Brüsseler Ortszeit) angezeigt wird **[*im Fall einer Marge, ist folgendes anwendbar*:** **[**zuzüglich**]** **[**abzüglich**]** der Marge (wie nachstehend definiert)**]**, wobei alle Festlegungen durch die Berechnungsstelle (wie in § 6(1) definiert) erfolgen.

Zinsperiode bezeichnet jeweils den Zeitraum vom Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

Zinsfestlegungstag bezeichnet den zweiten T2-Geschäftstag vor Beginn der jeweiligen Zinsperiode. ***T2-Geschäftstag*** bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem das real-time gross settlement system des Eurosystems (T2) oder ein Nachfolgesystem für die Abwicklung von Zahlungen in Euro betriebsbereit ist.

[*Im Fall einer Marge ist folgendes anwendbar:* Die ***Marge*** beträgt **[*entsprechende Marge einfügen*]**% *per annum*.**]**

Bildschirmseite bedeutet Reuters Bildschirmseite EURIBOR01 oder die jeweilige Nachfolgeseite, die vom selben System angezeigt wird oder aber von einem anderen System, das zum Vertreiber von Informationen zum Zwecke der Anzeigen von Sätzen oder Preisen ernannt wurde, die mit dem betreffenden Angebotssatz vergleichbar sind.

If the Screen Page is not available or if no such quotation appears at such time, in each case for reasons other than the occurrence of a Benchmark Event (as defined below), the Rate of Interest for such Interest Period shall be the offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for that Interest Period which appears on the Substitute Screen Page as of 11:00 a.m. (Brussels time) on the Interest Determination Date **[*in case of a Margin the following applies:*** [plus] [minus] the Margin**]**, all as determined by the Calculation Agent.

Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird zu der genannten Zeit kein Angebotssatz angezeigt und beruht dies jeweils auf anderen Gründen als dem Eintritt eines Benchmark-Ereignisses (wie nachstehend definiert), ist der Zinssatz für die betreffende Zinsperiode der Angebotssatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der Festgelegten Währung für die jeweilige Zinsperiode, der auf der Ersatz-Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) um ca. 11.00 Uhr (Brüsseler Ortszeit) angezeigt wird **[*im Fall einer Marge ist folgendes anwendbar:*** [zuzüglich] [abzüglich] der Marge**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

If neither the Screen Page nor the Substitute Screen Page is available or if no such quotation appears on any such page at such time, in each case for reasons other than the occurrence of a Benchmark Event (as defined below), the Rate of Interest shall be the offered quotation on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotation was offered **[*in case of a Margin, the following applies:*** [plus] [minus] the Margin (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)**]**.

Sollte weder die Bildschirmseite noch die Ersatz-Bildschirmseite zur Verfügung stehen oder wird zu der genannten Zeit kein Angebotssatz auf einer dieser Seiten angezeigt und beruht dies jeweils auf anderen Gründen als dem Eintritt eines Benchmark-Ereignisses (wie nachstehend definiert), ist der Zinssatz der Angebotssatz auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem ein solcher Angebotssatz angezeigt wurde **[*im Fall einer Marge ist folgendes anwendbar:*** [zuzüglich] [abzüglich] der Marge (wobei jedoch, falls für die betreffende Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die Marge der betreffenden Zinsperiode an die Stelle der Marge für die vorangegangenen Zinsperiode tritt)**]**.

Substitute Screen Page means the screen page of any authorized vendor other than the Screen Page or any other available website or screen page of a financial data provider on which the offered quotation (expressed as a percentage per annum)

Ersatz-Bildschirmseite bezeichnet die Bildschirmseite eines anderen autorisierten Anbieters als die Bildschirmseite oder eine andere verfügbare Website oder Bildschirmseite eines Finanzdatenanbieters, auf der der Angebotssatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der Festgelegten Währung für die jeweilige

for deposits in the Specified Currency for the relevant Interest Period as determined by its administrator (currently the European Money Markets Institute (*EMMI*)) for the relevant Interest Determination Date is displayed.

Zinsperiode, wie er für den jeweiligen Zinsfestlegungstag vom Administrator (derzeit das European Money Markets Institute (*EMMI*)) festgelegt wird, angezeigt wird.

(b) Benchmark Event**.**

If the Issuer determines (in consultation with the Calculation Agent) that a Benchmark Event has occurred on or prior to an Interest Determination Date, the following shall apply:

(i) The Offered Interest Rate for the Interest Period following such Interest Determination Date and each subsequent Interest Period (unless a new Benchmark Event occurs thereafter) shall be the Replacement Offered Interest Rate (as defined below), adjusted, if necessary, by any Adjustment Spread (as defined below). The Issuer will inform the Calculation Agent thereof and shall, in accordance with § 12 of these Terms and Conditions, notify the Replacement Offered Interest Rate, any Adjustment Spread and the Adjustments (as defined below) and all of these determinations (as well as any amendment of the Interest Determination Date if so determined) shall become binding on the Issuer and the Holders with effect from the relevant Interest Determination Date as from the effectiveness of such notice.

(ii) If a Replacement Offered Interest Rate referred to in § 3(2)(b)(i) is not available, the Issuer, after consultation with the Independent Advisor (as defined below), will determine the Alternative Offered Interest Rate (as defined below) and any Alternative Adjustment Spread (as defined below). In such case, the Offered Interest Rate for the Interest Period following the Interest Determination Date and each subsequent Interest Period (unless a new Benchmark Event

(b) Benchmark-Ereignis

Stellt die Emittentin (in Abstimmung mit der Berechnungsstelle) fest, dass vor oder an einem Zinsfestlegungstag ein Benchmark-Ereignis eingetreten ist, gilt Folgendes:

(i) Der Angebotszinssatz für die auf den Zinsfestlegungstag folgende Zinsperiode und jede nachfolgende Zinsperiode (es sei denn, es tritt in der Folge ein neues Benchmark-Ereignis ein) ist der Ersatz-Angebotszinssatz (wie nachstehend definiert), der gegebenenfalls durch eine etwaige Anpassungsspanne (wie nachstehend definiert) angepasst wird. Die Emittentin wird die Berechnungsstelle hierüber informieren und den Ersatz¬-Angebotszinssatz, die etwaige Anpassungsspanne und die Anpassungen (wie nachstehend definiert) gemäß § 12 dieser Emissionsbedingungen bekanntmachen und diese (sowie eine etwaige Änderung des Zinsfestlegungstags, falls dies so bestimmt wird) werden mit Wirksamwerden der Bekanntmachung für die Emittentin und die Gläubiger mit Wirkung ab dem relevanten Zinsfestlegungstag verbindlich.

(ii) Soweit ein Ersatz-Angebotszinssatz gemäß § 3(2)(b)(i) nicht zur Verfügung steht, wird die Emittentin nach Konsultation mit dem Unabhängigen Sachverständigen (wie nachstehend definiert) den Alternativ-Angebotszinssatz (wie nachstehend definiert) und eine etwaige Alternativ-Anpassungsspanne (wie nachstehend definiert) festlegen. In diesem Fall wird der Angebotszinssatz für die auf den Zinsfestlegungstag folgende Zinsperiode und jede nachfolgende Zinsperiode (es sei denn, es tritt in der Folge ein neues Benchmark-Ereignis

occurs thereafter) shall be the Alternative Offered Interest Rate, adjusted, if necessary, by any Alternative Adjustment Spread. The Issuer will inform the Calculation Agent thereof and shall, in accordance with § 12 of these Terms and Conditions, notify the Alternative Offered Interest Rate, any Alternative Adjustment Spread and the Adjustments (as defined below) and all of these determinations (as well as any amendment of the Interest Determination Date if so determined) shall become binding on the Issuer and the Holders with effect from the relevant Interest Determination Date as from the effectiveness of such notice.

ein) der Alternativ-Angebotszinssatz, der gegebenenfalls durch eine etwaige Alternativ-Anpassungsspanne angepasst wird, sein. Die Emittentin wird die Berechnungsstelle hierüber informieren und den Alternativ-Angebotszinssatz, die etwaige Alternativ-Anpassungsspanne und die Anpassungen (wie nachstehend definiert) gemäß § 12 dieser Emissionsbedingungen bekanntmachen und diese (sowie eine etwaige Änderung des Zinsfestlegungstags, falls dies so bestimmt wird) werden mit Wirksamwerden der Bekanntmachung für die Emittentin und die Gläubiger mit Wirkung ab dem relevanten Zinsfestlegungstag verbindlich.

(iii) If, by the fifth Business Day prior to the relevant Interest Determination Date, neither a Replacement Offered Interest Rate has been identified pursuant to § 3(2)(b)(i) nor an Alternative Offered Interest Rate has been determined and notified to the Calculation Agent pursuant to § 3(2)(b)(ii) above, the Offered Interest Rate for the Interest Period following the relevant Interest Determination Date shall be the Offered Interest Rate for the immediately preceding Interest Period. If the Offered Interest Rate is applied pursuant to this § 3(2)(b)(iii), § 3(2)(b) shall be applied again for the determination of the Offered Interest Rate for the next subsequent Interest Period.

(iii) Wenn bis zum fünften Geschäftstag vor dem betreffenden Zinsfestlegungstag weder ein Ersatz-Angebotszinssatz gemäß § 3(2)(b)(i) ermittelt noch ein Alternativ-Angebotszinssatz entsprechend des vorstehendenden § 3(2)(b)(ii) festgelegt und der Berechnungsstelle mitgeteilt wurde, ist der Angebotszinssatz für die auf den relevanten Zinsfestlegungstag folgende Zinsperiode der für die unmittelbar vorangehende Zinsperiode bestimmte Angebotszinssatz. Falls der Angebotszinssatz gemäß diesem § 3(2)(b)(iii) zur Anwendung kommt, wird für die Bestimmung des Angebotszinssatzes für die nächste folgende Zinsperiode § 3(2)(b) erneut angewendet.

For the purposes of sentence 1 of this § 3(2)(b)(iii) and determining whether, by the fifth Business Day prior to the relevant Interest Determination Date, a Replacement Offered Interest Rate has been identified pursuant to § 3(2)(b)(i) or an Alternative Offered Interest Rate has been determined pursuant to § 3(2)(b)(ii), it will be irrelevant whether the respective notices in accordance with § 12 of these Terms and Conditions have already been given or not.

Für die Zwecke von Satz 1 dieses § 3(2)(b)(iii) und die Bestimmung, ob bis zum fünften Geschäftstag vor dem betreffenden Zinsfestlegungstag ein Ersatz-Angebotszinssatz gemäß § 3(2)(b)(i) ermittelt oder ein Alternativ-Angebotszinssatz gemäß § 3(2)(b)(ii) festgelegt wurde, kommt es nicht darauf an, ob die diesbezüglichen Bekanntmachungen gemäß § 12 dieser Emissionsbedingungen bereits erfolgt sind oder nicht.

(iv) Certain definitions.

(iv) Bestimmte Begriffsbestimmungen.

Benchmark Event means with respect to the Offered Interest Rate one of the following events:

(aa) the Offered Interest Rate has not been published on the Screen Page during the last ten Business Days prior to and including the relevant Interest Determination Date; or

(bb) the occurrence of the date, as publicly announced by, or, as the case may be, determinable based upon the public announcement by, the administrator of the Offered Interest Rate, the regulatory supervisor responsible for the administrator or the central bank responsible for the Specified Currency on which the administrator of the Offered Interest Rate has suspended or will suspend permanently or indefinitely the Offered Interest Rate, its calculation and/or publication (if at the time of such announcement no successor administrator has been appointed that will continue the calculation and/or publication of the Offered Interest Rate); or

(cc) the occurrence of the date, as publicly announced by, or, as the case may be, determinable based upon the public announcement by, the administrator of the Offered Interest Rate, the regulatory supervisor responsible for the administrator or the central bank responsible for the Specified Currency where there will be a material change in the methodology of determining the Offered Interest Rate; or

(dd) the occurrence of the date, as publicly announced by, or, as the case may be, determinable based upon the public announcement by, the administrator of the Offered Interest Rate, by the regulatory supervisor

Benchmark-Ereignis bezeichnet in Bezug auf den Angebotszinssatz eines der nachfolgenden Ereignisse:

(aa) der Angebotszinssatz wurde in den letzten zehn Geschäftstagen vor dem und bis einschließlich zum relevanten Zinsfestlegungstag nicht auf der Bildschirmseite veröffentlicht; oder

(bb) der Eintritt des durch den Administrator des Angebotszinssatzes, die für den Administrator zuständige Aufsichtsbehörde oder die für die Festgelegte Währung zuständige Zentralbank öffentlich bekannt gegebenen Tages bzw. des auf Grundlage der öffentlichen Bekanntmachung bestimmbaren Tages, an dem der Administrator des Angebotszinssatzes den Angebotszinssatz, seine Berechnung und/oder seine Veröffentlichung dauerhaft oder auf unbestimmte Zeit eingestellt hat oder einstellen wird (wenn zum Zeitpunkt dieser Bekanntmachung kein Nachfolgeadministrator ernannt worden ist, der die Berechnung und/oder Veröffentlichung des Angebotszinssatzes fortsetzen wird); oder

(cc) der Eintritt des durch den Administrator des Angebotszinssatzes, die für den Administrator zuständige Aufsichtsbehörde oder die für die Festgelegte Währung zuständige Zentralbank öffentlich bekannt gegebenen Tages bzw. des auf Grundlage der öffentlichen Bekanntmachung bestimmbaren Tages, von dem an eine wesentliche Änderung der Methode zur Festlegung des Angebotszinssatzes wirksam wird; oder

(dd) der Eintritt des durch den Administrator des Angebotszinssatzes, die für den Administrator zuständige Aufsichtsbehörde oder die für die Festgelegte Währung zuständige Zentralbank öffentlich bekannt gegebenen Tages bzw. des auf

responsible for the administrator or by the central bank responsible for the Specified Currency where the use of the Offered Interest Rate is generally prohibited; or

(ee) the publication by the Issuer of a notice pursuant to § 12 of these Terms and Conditions that the use of the Offered Interest Rate to calculate the Interest Rate has become unlawful for the Issuer, the Calculation Agent or any Paying Agent.

Replacement Offered Interest Rate means a successor or replacement of the Offered Interest Rate officially recommended by the Nominating Body (as defined below).

Adjustment Spread means the difference (positive or negative) or the result of the application of a formula or methodology to determine such difference that is recommended by the Nominating Body in connection with the replacement of the Offered Interest Rate by the Replacement Offered Interest Rate.

Adjustments means the amendments to the Terms and Conditions (i) in the case of a Replacement Offered Interest Rate, as determined by the Issuer in consultation with the Calculation Agent, and (ii) in the case of an Alternative Offered Interest Rate, as determined by the Issuer after consultation with the Independent Advisor, being necessary to ensure the proper application of the Replacement Offered Interest Rate and the Adjustment Spread or the proper application of the Alternative Offered Interest Rate and the Alternative Adjustment Spread. The Adjustments may extend to, inter alia, provisions relating to the applicable Business Day Convention, the definitions of the terms "Screen Page", "Substitute Screen Page", "Business Day", "Interest Payment Date", "Interest Period", "Day Count

Grundlage der öffentlichen Bekanntmachung bestimmbaren Tages, von dem an die Nutzung des Angebotszinssatzes allgemein verboten ist; oder

(ee) die Veröffentlichung einer Mitteilung durch die Emittentin gemäß § 12 dieser Emissionsbedingungen dass die Verwendung des Angebotszinssatzes zur Berechnung des Zinssatzes für die Emittentin, die Berechnungsstelle oder eine Zahlstelle rechtswidrig geworden ist.

Ersatz-Angebotszinssatz bezeichnet einen Nachfolger oder Ersatz des Angebotszinssatzes, der offiziell durch die Nominierungsstelle (wie nachstehend definiert) empfohlen wurde.

Anpassungsspanne bezeichnet die Differenz (positiv oder negativ) oder das Ergebnis der Anwendung einer Formel oder Methode zur Bestimmung einer solchen Differenz, die im Zusammenhang mit der Ersetzung des Angebotszinssatzes durch den Ersatz-Angebotszinssatz von der Nominierungsstelle empfohlen wird.

Anpassungen bezeichnet die Änderungen hinsichtlich der Emissionsbedingungen, die (i) im Falle eines Ersatz-Angebotszinssatzes nach Feststellung der Emittentin in Abstimmung mit der Berechnungsstelle und (ii) im Falle eines Alternativ-Angebotszinssatzes nach Feststellung durch die Emittentin nach Konsultation mit dem Unabhängigen Sachverständigen notwendig sind, um die ordnungsgemäße Anwendung des Ersatz-Angebotszinssatzes und der Anpassungsspanne oder die ordnungsgemäße Anwendung des Alternativ-Angebotszinssatzes und der Alternativ-Anpassungsspanne zu gewährleisten. Die Anpassungen können u.a. Regelungen bezüglich der anwendbaren Geschäftstag-Konvention, der Definitionen der Begriffe "Bildschirmseite", "Ersatz-Bildschirmseite", "Geschäftstag", "Zinszahlungstag", "Zinsperiode", "Zinstagequotient" und/oder "Zinsfestlegungstag" (einschließlich der

Fraction" and/or "Interest Determination Date" (including the determination of whether the Offered Interest Rate is determined on a forward looking or backward looking basis) and any methodology or definition for obtaining or calculating the Replacement Offered Interest Rate or the Alternative Offered Interest Rate.

Festlegung, ob der Angebotszinssatz vorwärts- oder rückwärtsgerichtet bestimmt wird) sowie jeder Methode oder Definition, um den Ersatz-Angebotszinssatz oder den Alternativ-Angebotszinssatz zu erhalten oder zu berechnen, umfassen.

Nominating Body means (1) the central bank for the currency in which the Offered Interest Rate is denominated or a central bank or other regulatory supervisor responsible for the supervision of the administrator of the Offered Interest Rate; or (2) any working group or committee assisted, co-chaired or endorsed by (a) the central bank for the currency in which the Offered Interest Rate is denominated, (b) any central bank or other regulatory supervisor responsible for the supervision of the administrator of the Offered Interest Rate, (c) any group of the aforementioned central banks or other regulatory supervisors, or (d) the Financial Stability Board or any part thereof.

(c)

Nominierungsstelle bezeichnet (1) die Zentralbank für die Währung, in der der Angebotszinssatz dargestellt wird, oder eine Zentralbank oder andere Aufsichtsbehörde, die für die Aufsicht des Administrators des Angebotszinssatzes zuständig ist; oder (2) jede Arbeitsgruppe oder jeden Ausschuss, die/der von (a) der Zentralbank für die Währung, in der der Angebotszinssatz dargestellt wird, (b) einer Zentralbank oder anderen Aufsichtsbehörde, die für die Aufsicht des Administrators des Angebotszinssatzes zuständig ist, (c) einer Gruppe der zuvor genannten Zentralbanken oder anderer Aufsichtsbehörden oder (d) dem Finanzstabilitätsrat (Financial Stability Board) oder Teilen davon unterstützt, (mit)geleitet oder befürwortet wird.

Independent Advisor means an independent financial institution of international reputation or another independent financial advisor with experience in international capital markets, in each case appointed by the Issuer. The Issuer shall employ reasonable efforts to effect the appointment of an Independent Advisor on commercially reasonable terms; if no such appointment is possible, the function of the Independent Advisor under these conditions shall be omitted.

Unabhängiger Sachverständiger bezeichnet ein von der Emittentin für die Wahrnehmung der ihr nach diesen Emissionsbedingungen zugewiesenen Funktionen ernanntes unabhängiges Finanzinstitut mit internationalem Ansehen oder einen anderen unabhängigen Finanzberater mit Erfahrung in internationalen Kapitalmärkten. Die Emittentin ist zu ihr zumutbaren Bemühungen verpflichtet, um die Beauftragung eines Unabhängigen Sachverständigen zu wirtschaftlich angemessenen Bedingungen zu bewirken; ist dies nicht möglich, entfällt die Funktion des Unabhängigen Sachverständigen nach Maßgabe dieser Emissionsbedingungen.

Alternative Offered Interest Rate means a publicly available alternative offered interest rate quotation that is intended to allow financial instruments or contracts, such as, but not limited to, debt securities, to use such alternative offered interest rate quotation for determining

Alternativ-Angebotszinssatz bezeichnet einen öffentlich verfügbaren alternativen Angebotszinssatz, der dafür vorgesehen ist, dass Finanzinstrumente oder -verträge, wie u.a. in Form von Schuldverschreibungen, diesen bei der Bestimmung von variablen Zinssätzen (oder dazugehörigen Zinskomponenten)

floating rates of interest (or related interest components) in the Specified Currency.

Alternative Adjustment Spread means the difference (which may be positive or negative) or the result of the application of a formula or methodology for calculating such a difference to be applied to the Alternative Offered Interest Rate as determined by the Issuer after consultation with the Independent Advisor, to reduce or eliminate, to the extent reasonably possible, any shift in the economic value between the Issuer and the Holders which would arise without such adjustment as a result of the replacement of the Offered Interest Rate by the Alternative Offered Interest Rate (including, but not limited to, that the Alternative Offered Interest Rate is a risk-free rate).

Offered Interest Rate means [***Offered Quotation***] and, following the occurrence of a Benchmark Event, the relevant Replacement Offered Interest Rate or, as applicable, the relevant Alternative Offered Interest Rate or, as applicable, the Offered Interest Rate for the immediately preceding Interest Period, as determined at the relevant time in accordance with this § 3(2)(b).

in der Festgelegten Währung verwenden können.

Alternativ-Anpassungsspanne bezeichnet die Differenz (positiv oder negativ) oder das Ergebnis der Anwendung einer Formel oder Methode zur Bestimmung einer solchen Differenz, die nach Festlegung durch die Emittentin nach Konsultation mit dem Unabhängigen Sachverständigen auf den Alternativ-Angebotszinssatz anzuwenden ist, um eine Verlagerung des wirtschaftlichen Wertes zwischen der Emittentin und den Gläubigern, die ohne diese Anpassung infolge der Ersetzung des Angebotszinssatzes durch den Alternativ-Angebotszinssatz entstehen würde (einschließlich, aber ohne hierauf begrenzt zu sein, infolgedessen, dass der Alternativ-Angebotszinssatz ein risikofreier Zinssatz ist), soweit sinnvollerweise möglich, zu reduzieren oder auszuschließen.

Angebotszinssatz bezeichnet [***Angebotssatz***] bzw., nach Eintritt eines Benchmark-Ereignisses, den betreffenden Ersatz-Angebotszinssatz oder, falls anwendbar, den betreffenden Alternativ-Angebotszinssatz oder, falls anwendbar, den Angebotszinssatz für die unmittelbar vorangehende Zinsperiode, wie zur jeweiligen Zeit nach Maßgabe dieses § 3(2)(b) bestimmt.

[*In case of a Minimum Rate of Interest, the following applies:*

(3) Minimum Rate of Interest.

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

[*In case of a Maximum Rate of Interest the following applies:*

(3) Maximum Rate of Interest.

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

[*Im Fall eines Mindestzinssatzes ist folgendes anwendbar:*

(3) Mindestzinssatz.

Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als **[*Mindestzinssatz*]**, so ist der Zinssatz für diese Zinsperiode **[*Mindestzinssatz*].]**

[*Im Fall eines Höchstzinssatzes ist folgendes anwendbar:*

(3) Höchstzinssatz.

Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als **[*Höchstzinssatz*]**, so ist der Zinssatz für diese Zinsperiode **[*Höchstzinssatz*].]**

[(4)] Interest Amount.

The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the ***Interest Amount***) payable on the 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 resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

[(5)] Notification of Rate of Interest and Interest Amount.

The Calculation Agent will cause the Rate of Interest, each Interest Amount for each Interest Period, each Interest Period and the relevant Interest Payment Date to be notified to the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** and the Guarantor**]** and to the Holders in accordance with § 12 as soon as possible after their determination, but in no event later than the fourth T2 **[*relevant financial centre(s)*]** Business Day (as defined in § 3(2)) 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 Holders in accordance with § 12.

[(6)] 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, **[*in the case of Notes issued by ZF Europe***

[(4)] Zinsbetrag.

Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den Zinssatz bestimmen und den auf die Schuldverschreibungen zahlbaren Zinsbetrag in Bezug auf jede Festgelegte Stückelung (der ***Zinsbetrag***) für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachfolgend definiert) auf jede Festgelegte Stückelung angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der Festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

[(5)] Mitteilung von Zinssatz und Zinsbetrag.

Die Berechnungsstelle wird veranlassen, dass der Zinssatz, der Zinsbetrag für die jeweilige Zinsperiode, die jeweilige Zinsperiode und der betreffende Zinszahlungstag der Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** und der Garantin**]** sowie den Gläubigern gemäß § 12 baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden T2 **[*relevante(s) Finanzzentrum(en)*]** Geschäftstag (wie in § 3(2) definiert) sowie jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst nach der Bestimmung, aber keinesfalls später als am ersten Tag der jeweiligen Zinsperiode mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich geändert (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Änderung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind, sowie den Gläubigern gemäß § 12 mitgeteilt.

[(6)] Verbindlichkeit der Festsetzungen.

Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Angebotssätze 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

Finance B.V., the following applies: the Guarantor,**]** the Fiscal Agent, the Paying Agents and the Holders.

Emittentin, **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Garantin,**]**, die Emissionsstelle, die Zahlstellen und die Gläubiger bindend.

[(7)] Accrual of Interest.

The Notes shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer for any reason fails to redeem the Notes when due, interest shall continue to accrue at the default rate of interest established by statutory law[9] on the outstanding aggregate principal amount of the Notes from (and including) the due date to (but excluding) the day on which such redemption payment is made to the Holders.

[(7)] Auflaufende Zinsen.

Der Zinslauf der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit aus irgendeinem Grund nicht zurückzahlt, wird der ausstehende Gesamtnennbetrag der Schuldverschreibungen von dem Tag der Fälligkeit (einschließlich) bis zum Tag der vollständigen Rückzahlung an die Gläubiger (ausschließlich) mit dem gesetzlich bestimmten Verzugszins [10] verzinst.

[(8)] Day Count Fraction.

Day Count Fraction means with regard to the calculation of the amount of interest on the Notes for any period of time (the ***Calculation Period***):

[*In case of Actual/365 or Actual/Actual (ISDA) the following applies:*

the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).**]**

[*In the case of Actual/365 (Fixed) the following applies:*

the actual number of days in the Calculation Period divided by 365.**]**

[*In the case of Actual/360 the following applies:*

the actual number of days in the Calculation Period divided by 360.**]**

[(8)] Zinstagequotient.

Zinstagequotient bezeichnet im Hinblick auf die Berechnung von Zinsbeträgen auf die Schuldverschreibungen für einen beliebigen Zeitraum (der ***Zinsberechnungszeitraum***):

[*Im Fall von Actual/365 oder Actual/Actual, ist folgendes anwendbar:*

die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraumes in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraumes, dividiert durch 366, und (B) die tatsächliche Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums, dividiert durch 365).**]**

[*Im Fall von Actual/365 (Fixed), ist folgendes anwendbar:*

die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365.**]**

[*Im Fall von Actual/360, ist folgendes anwendbar:*

die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360.**]**

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[9] The default rate of interest established by statutory law is five percentage points above the basis rate of interest published by *Deutsche Bundesbank* from time to time, §§ 288 paragraph 1, 247 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*).

[10] Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Abs. 1, 247 Abs. 1 BGB.

§ 4
(PAYMENTS)

(1) Payment of Principal and Payment of Interest.

(a) Payment of principal in respect of the Notes shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

(b) Payment of Interest on the Notes shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

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

(2) Manner of Payment.

Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) Discharge.

The Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or, as the case may be, the Guarantor**]** shall be discharged by payment to, or to the order of, the Clearing System.

(4) Payment Business Day.

If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder 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.

§ 4
(ZAHLUNGEN)

(1) Zahlungen auf Kapital und Zahlung von Zinsen.

(a) Zahlungen von Kapital auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes (2) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

(b) Die Zahlung von Zinsen auf die Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes (2) an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

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

(2) Zahlungsweise.

Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der Festgelegten Währung.

(3) Erfüllung.

Die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** bzw. die Garantin**]** wird durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(4) Zahltag.

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

For these purposes, ***Payment Business Day*** means a day (other than a Saturday or a Sunday) on which the Clearing System is operational

[*If relevant financial center(s) is applicable, the following applies*: and on which commercial banks and foreign exchange markets settle payments in **[*relevant financial center(s)*]**.**]**

[*If T2 is applicable the following applies*: and on which all relevant parts of T2 or any successor system are operational to forward the relevant payment.**]**

Für diese Zwecke bezeichnet ***Zahltag*** einen Tag, (außer einem Samstag oder Sonntag), an dem das Clearingsystem betriebsbereit ist

[*Falls relevante(s) Finanzzentrum(en) anwendbar ist, ist folgendes anwendbar*: und an dem Geschäftsbanken und Devisenmärkte Zahlungen in **[*relevante(s) Finanzzentrum(en)*]** abwickeln**.]**

[*Falls T2 anwendbar ist, ist folgendes anwendbar:* sowie alle betroffenen Bereiche des T2 oder ein Nachfolgesystem betriebsbereit sind, um die betreffenden Zahlungen weiterzuleiten.**]**

(5) References to Principal and Interest.

References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: **[*if the Notes are redeemable at the option of the Issuer (Call Redemption Amount), the following applies*:** the Call Redemption Amount of the Notes;**] [*If the Notes are subject to Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event the following applies:*** the Event Redemption Amount of the Notes;**] [*if the Notes are redeemable at the option of the Holder other than in case of a Put Event following a Change of Control the following applies*:** the Put Redemption Amount of the Notes;**]** and any premium and any other amounts which may be payable under or in respect of the Notes. References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7.

(5) Bezugnahmen auf Kapital und Zinsen.

Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: **[*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)), ist folgendes anwendbar:*** den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen;**] [*falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig bei Eintritt eines Transaktions-Ereignisses zurückzuzahlen, ist folgendes anwendbar:*** den Ereignis-Rückzahlungsbetrag der Schuldverschreibungen;] **[*falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen, außer bei Vorliegen eines Rückzahlungsereignisses nach Eintritt eines Kontrollwechsels, vorzeitig zu kündigen, ist folgendes anwendbar:*** den Wahl-Rückzahlungsbetrag (Put) der Schuldverschreibungen;**]** sowie jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Emissionsbedingungen auf Zinsen auf die Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren Zusätzlichen Beträge einschließen.

(6) Deposit of Principal and Interest.

The Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or, as the case may be, the Guarantor**]** may deposit with the local court (*Amtsgericht*) in Frankfurt/Main principal or interest not claimed by Holders within 10 Payment Business Days after the relevant due date, even though such Holders may not be in default of acceptance of payment. If and to the

(6) Hinterlegung von Kapital und Zinsen.

Die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** bzw. die Garantin**]** ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von 10 Zahltagen nach dem betreffenden Fälligkeitstag beansprucht

extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

§ 5
(REDEMPTION; PURCHASE AND CANCELLATION)

(1) Final Redemption.

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their principal amount on the Interest Payment Date falling in [***Redemption Month***] (the ***Maturity Date***).

(2) Early Redemption for Reasons of Taxation.

If as a result of any change in, or amendment to, the laws or regulations of any Relevant Taxing Jurisdiction (as defined in § 7 herein) or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after the date on which the last tranche of this series of Notes was issued, the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor, as the case may be,**]** is required to pay Additional Amounts (as defined in § 7 herein) on the next succeeding Interest Payment Date (as defined in § 3(1)), and this obligation cannot be avoided by the use of reasonable measures available to the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor, as the case may be,**]** the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 12 to the Holders, at their principal amount, together with interest (if any) accrued to the date fixed for redemption (excluding).

worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Gläubiger gegen die Emittentin.

§ 5
(RÜCKZAHLUNG; ANKAUF UND ENTWERTUNG)

(1) Rückzahlung bei Endfälligkeit.

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Nennbetrag am in den [***Rückzahlungsmonat***] fallenden Zinszahlungstag (der ***Fälligkeitstag***) zurückgezahlt.

(2) Vorzeitige Rückzahlung aus steuerlichen Gründen.

Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht mehr als 60 und nicht weniger als 30 Tagen durch Erklärung gegenüber der Emissionsstelle und Benachrichtigung gemäß § 12 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrem Nennbetrag zuzüglich etwaiger bis zum für die Rückzahlung festgesetzten Tag (ausschließlich) aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften einer Relevanten Steuerjurisdiktion (wie in § 7 dieser Bedingungen definiert) oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird am oder nach dem Tag, an dem die letzte Tranche dieser Serie von Schuldverschreibungen begeben wird, wirksam) am nächstfolgenden Zinszahlungstag (wie in § 3(1) definiert) zur Zahlung von Zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen zumutbarer, der Emittentin **[*bei Schuldverschreibungen, die von begeben werden, ist folgendes anwendbar:*** oder

der Garantin**]** zur Verfügung stehender Maßnahmen vermieden werden kann.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor**]** would be obligated to pay such Additional Amounts were a payment in respect of the Notes **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantee**]** then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect. The date fixed for redemption must be an Interest Payment Date.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantie**]** dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erklärt wird, die Verpflichtung zur Zahlung von Zusätzlichen Beträgen nicht mehr wirksam ist. Der für die Rückzahlung festgelegte Termin muss ein Zinszahlungstag sein.

Any such notice shall be given in accordance with § 12. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

Eine solche Kündigung ist gemäß § 12 bekanntzumachen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umständen darlegt.

Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by an executive director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal or tax advisers of recognized standing to the effect that the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor, as the case may be,**]** has or will become obliged to pay such Additional Amounts as a result of such change or amendment.

Vor Bekanntgabe einer Mitteilung über eine Rückzahlung gemäß diesen Bestimmungen hat die Emittentin der Emissionsstelle eine von einem Mitglied der Geschäftsleitung der Emittentin unterzeichnete Bescheinigung zukommen zu lassen, der zufolge die Emittentin berechtigt ist, eine entsprechende Rückzahlung zu leisten, und in der nachvollziehbar dargelegt ist, dass die Bedingungen für das Recht der Emittentin zur Rückzahlung gemäß diesen Bestimmungen erfüllt sind; zusätzlich hat die Emittentin ein von unabhängigen und anerkannten Rechts- oder Steuerberatern erstelltes Gutachten vorzulegen, demzufolge die Emittentin **[*bei Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** in Folge einer entsprechenden Änderung oder Ergänzung zur Zahlung Zusätzlicher Beträge verpflichtet ist oder sein wird.

[*If the Notes are subject to Early Redemption at the Option of the Issuer for Reasons of Minimal Outstanding Principal Amount, the following applies:*

[*Falls die Schuldverschreibungen nach Wahl der Emittentin bei geringfügig ausstehendem Nennbetrag vorzeitig kündbar sind, ist folgendes anwendbar:*

(3) Early Redemption at the Option of the Issuer for Reasons of Minimal Outstanding Principal Amount.

If 80% or more in principal amount of the Notes then outstanding have been redeemed or purchased by the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*, ZF Friedrichshafen AG]** or any Subsidiary of ZF Friedrichshafen AG, the Issuer may, on not less than 30 or more than 60 days' notice to the Holders of Notes redeem, at its option, the remaining Notes as a whole at their principal amount, together with interest (if any) accrued to the date fixed for redemption (excluding).**]**

(3) Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringfügig ausstehendem Nennbetrag.

Wenn 80% oder mehr des Nennbetrags der dann ausstehenden Schuldverschreibungen durch die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*, ZF Friedrichshafen AG]** oder eine Tochtergesellschaft von ZF Friedrichshafen AG zurückgezahlt oder zurückerworben wurde, ist die Emittentin berechtigt, nach ihrer Wahl alle ausstehenden Schuldverschreibungen mit einer Frist von mindestens 30 und höchstens 60 Tagen gegenüber den Gläubigern zu kündigen und zum Nennbetrag zuzüglich etwaiger bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurück zu zahlen.**]**

**[*If the Notes are subject to Early Redemption at the Option of the Issuer upon the occurrence of a Benchmark Event, the following applies:*

(4) Early Redemption at the Option of the Issuer upon the occurrence of a Benchmark Event.

If a Benchmark Event has occurred and it is not possible, in the Issuer's opinion, to determine a successor reference rate in accordance with sub-clause (i) or (ii) of § 3(2)(b), the Issuer may, on not less than 30 or more than 60 days' notice to the Holders, redeem, at its option, all of the Notes at their principal amount, together with interest (if any) accrued to the date fixed for redemption (excluding).**]**

**[*Falls die Schuldverschreibungen nach Wahl der Emittentin bei Eintritt eines Benchmark-Ereignisses vorzeitig kündbar sind, ist folgendes anwendbar:*

(4) Vorzeitige Rückzahlung nach Wahl der Emittentin bei Eintritt eines Benchmark-Ereignisses.

Falls ein Benchmark-Ereignis eingetreten ist und es nach Auffassung der Emittentin nicht möglich ist, einen Ersatz-Referenzsatz gemäß Unterabsatz (i) oder (ii) von § 3(2)(b) zu bestimmen, ist die Emittentin berechtigt, nach ihrer Wahl die Schuldverschreibungen insgesamt mit einer Frist von mindestens 30 und höchstens 60 Tagen gegenüber den Gläubigern zu kündigen und zum Nennbetrag, nebst etwaiger bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzahlen.**]**

**[*If the Holders may request the repurchase of the Notes in case of a Put Event following a Change of Control, the following applies:*

(5) Early Redemption at the Option of the Holders in case of a Put Event following a Change of Control.

(a) Publication of a Change of Control.

If a Change of Control occurs, the Issuer will give notice in accordance with § 12 of the Change of Control and the Record

**[*Falls die Gläubiger bei Vorliegen eines Rückzahlungsereignisses nach Eintritt eines Kontrollwechsels den Ankauf der Schuldverschreibungen verlangen können, ist folgendes anwendbar:*

(5) Vorzeitige Rückzahlung nach Wahl der Gläubiger bei Vorliegen eines Rückzahlungsereignisses nach Eintritt eines Kontrollwechsels.

(a) Veröffentlichung eines Kontrollwechsels.

Wenn ein Kontrollwechsel eintritt, wird die Emittentin sobald wie möglich, nachdem sie Kenntnis davon

Date as soon as practicable after becoming aware thereof.

(b) Publication of a Put Event.

If a Put Event occurs, the Issuer will give notice of the Put Event and the Put Record Date specifying the nature of the Put Event within 21 days of the end of the Change of Control Period in accordance with § 12.

(c) Early Redemption at the Option of the Holders.

If the Issuer gives notice in accordance with § 5(5)(b) of a Put Event, each Holder may at his option on giving not less than 7 days' notice declare due all or only some of his Notes not previously redeemed with effect on the Put Record Date. In such case the Issuer will redeem such Notes on the Put Record Date at the Principal Amount plus interest accrued, if any, to (but excluding) the Put Record Date.

A notice of termination pursuant to this § 5(5)(c) is irrevocable and must be effected by delivering a notice in text form (§ 126b of the German Civil Code (*Bürgerliches Gesetzbuch*)) to the Fiscal Agent together with evidence by means of a certificate of the Custodian (as defined in § 15(4)) in accordance with § 15(4)(a) that such Holder at the time of such notice is the holder of the relevant Notes.

(d) Definitions.

Record Date means the day on which the Change of Control occurred.

A ***Change of Control*** occurs if the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor**]** becomes aware that any Person or group of Persons acting in concert, other than the Zeppelin-Stiftung Friedrichshafen or any entity directly or indirectly controlled by the Zeppelin-Stiftung Friedrichshafen,

erhalten hat, den Kontrollwechsel und den Stichtag gemäß § 12 mitteilen.

(b) Veröffentlichung eines Rückzahlungsereignisses.

Wenn ein Rückzahlungsereignis eintritt, wird die Emittentin innerhalb von 21 Tagen nach Ablauf des Kontrollwechselzeitraums das Rückzahlungsereignis und den Rückzahlungsstichtag unter Angabe der Umstände des Rückzahlungsereignisses gemäß § 12 mitteilen.

(c) Vorzeitige Rückzahlung nach Wahl der Gläubiger.

Falls die Emittentin gemäß § 5(5)(b) ein Rückzahlungsereignis bekannt gemacht hat, ist jeder Gläubiger nach seiner Wahl berechtigt, mit einer Frist von mindestens 7 Tagen mit Wirkung zum Rückzahlungsstichtag alle oder einzelne seiner Schuldverschreibungen, die noch nicht zurückgezahlt wurden, vorzeitig fällig zu stellen. In einem solchen Fall hat die Emittentin die betreffenden Schuldverschreibungen am Rückzahlungsstichtag zu ihrem Nennbetrag zuzüglich etwaiger bis zum Rückzahlungsstichtag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

Eine Kündigung gemäß diesem § 5(5)(c) ist unwiderruflich und hat in Textform (§ 126b BGB) gegenüber der Emissionsstelle, zusammen mit dem Nachweis durch eine Bescheinigung der Depotbank (wie in § 15(4) definiert) gemäß § 15(4)(a), dass der betreffende Gläubiger im Zeitpunkt der Kündigung Inhaber der betreffenden Schuldverschreibung ist, zu erfolgen.

(d) Definitionen.

Stichtag bezeichnet den Tag, an dem der Kontrollwechsel eingetreten ist.

Ein ***Kontrollwechsel*** liegt vor, sobald die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** Kenntnis davon erlangt, dass eine Person oder eine Gruppe von gemeinsam handelnden Personen, jedoch mit Ausnahme der

has become the owner, directly or indirectly, of more than 50% of the voting shares of ZF Friedrichshafen AG.

Zeppelin-Stiftung Friedrichshafen und jeder von der Zeppelin-Stiftung Friedrichshafen direkt oder indirekt beherrschten Person, direkt oder indirekt mehr als 50 % der stimmberechtigten Aktien der ZF Friedrichshafen AG erlangt.

Person means any individual or legal entity.

Person bezeichnet jede natürliche oder juristische Person.

Acting in concert means "*gemeinsam handelnd*" within the meaning of § 2 paragraph 5 of the German Securities Acquisition and Take Over Act (*Wertpapiererwerbs- und Übernahmegesetz*).

Gemeinsam handelnd bedeutet gemeinsam handelnd im Sinne von § 2 Abs. 5 des Wertpapiererwerbs- und Übernahmegesetzes (WpÜG).

A ***Put Event*** will occur if

Ein ***Rückzahlungsereignis*** tritt ein, wenn

(i) the Issuer announces a Change of Control; and

(i) die Emittentin einen Kontrollwechsel bekannt macht; und

(ii) a Rating Decline occurs.

(ii) eine Ratingherabstufung eintritt.

Rating Decline means that if, at the time of the occurrence of a Change of Control, ZF Friedrichshafen AG has been, from any Rating Agency it has solicited, (a) rated Investment Grade and such rating from any Rating Agency is, within the Change of Control Period, either downgraded to a non-investment grade rating or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded to Investment Grade by such Rating Agency or (in the case of withdrawal) replaced by an Investment Grade rating from any other Rating Agency; or (b) rated below Investment Grade and such rating from any Rating Agency is, within the Change of Control Period, downgraded by one or more gradations (including gradations within Rating Categories as well as between Rating Categories, but excluding, for the avoidance of doubt, any changes in the outlook) and is not within the Change of Control Period subsequently upgraded to its earlier credit rating or better by such Rating Agency, provided that if at the time of the occurrence of the Change of Control ZF Friedrichshafen AG or the Group carries a rating from more than one Rating Agency, at least one of which is Investment Grade, then sub-paragraph (a) will apply. In making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to ZF Friedrichshafen AG that such decision(s)

Eine ***Ratingherabstufung*** liegt vor, falls die ZF Friedrichshafen AG bei Eintritt des Kontrollwechsels von einer Ratingagentur, bei der die ZF Friedrichshafen AG ein solches Rating beauftragt hat, (a) mit Investment Grade bewertet ist und dieses Rating von einer Ratingagentur innerhalb des Kontrollwechselzeitraums zu einem non-investment grade Rating herabgestuft oder das Rating zurückgezogen wurde und nicht innerhalb des Kontrollwechselzeitraums anschließend (im Falle einer Herabstufung) durch diese Ratingagentur wieder auf ein Investment Grade Rating heraufgestuft oder (im Falle eines Zurückziehens) durch das Investment Grade Rating einer anderen Ratingagentur ersetzt wurde; oder (b) unterhalb von Investment Grade bewertet ist und dieses Rating von einer Ratingagentur innerhalb des Kontrollwechselzeitraums um eine oder mehrere Stufen (einschließlich Untergliederungen innerhalb von sowie zwischen Ratingkategorien, nicht jedoch einer Änderung des Ausblicks) herabgestuft und nicht innerhalb des Kontrollwechselzeitraums anschließend wieder auf das ursprüngliche oder ein besseres Rating durch diese Ratingagentur

resulted, in whole or in part, from the occurrence of the Change of Control.

heraufgestuft wurde; wobei, falls die ZF Friedrichshafen AG oder die Gruppe zum Zeitpunkt des Eintritts des Kontrollwechsels über ein Rating von mehr als einer Ratingagentur verfügen, von denen mindestens eines ein Investment Grade Rating ist, Absatz (a) Anwendung findet; und im Zusammenhang mit einer der oben genannten Entscheidungen die betreffende Ratingagentur öffentlich bekannt macht oder gegenüber ZF Friedrichshafen AG schriftlich bestätigt, dass diese Entscheidung ganz oder teilweise auf den Kontrollwechsel zurückzuführen ist.

However, no Ratings Decline will occur if at the end of the Change of Control Period ZF Friedrichshafen AG has been rated Investment Grade by at least two Rating Agencies.

Eine Ratingherabstufung liegt jedoch nicht vor, falls die ZF Friedrichshafen AG am Ende des Kontrollwechselzeitraums von mindestens zwei Ratingagenturen mit Investment Grade bewertet wird.

If the rating designations employed by any of the Rating Agencies are changed, the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor**]** shall determine the rating designations of the Rating Agencies (as appropriate) as are most equivalent to the prior rating designations of the respective Rating Agencies. The term "Rating Decline" shall be construed accordingly.

Falls sich die von den Ratingagenturen verwendeten Ratingkategorien ändern sollten, wird die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin**]** diejenigen Ratingkategorien der Ratingagenturen bestimmen, die den früheren Ratingkategorien der jeweiligen Ratingagenturen möglichst nahe kommen. Der Begriff "Ratingherabstufung" ist dann entsprechend auszulegen.

Change of Control Period means the period ending 90 days after the Record Date.

Kontrollwechselzeitraum bezeichnet die Periode, die 90 Tage nach dem Stichtag endet.

Rating Agency means each of Moody's Deutschland GmbH (***Moody's***) or S&P Global Ratings Europe Limited, a division of S&P Global Inc. (***S&P***) or Fitch Ratings Ltd (***Fitch***) or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by the Issuer.

Ratingagentur bezeichnet jeweils Moody's Deutschland GmbH (***Moody's***) oder S&P Global Ratings Europe Limited, eine Abteilung von S&P Global Inc. (***S&P***), oder Fitch Ratings Ltd (***Fitch***) oder deren entsprechende Nachfolger oder jede andere Ratingagentur mit entsprechendem internationalen Ansehen, die von der Emittentin benannt wird.

Investment Grade means a rating of (i) BBB- or higher by S&P and Fitch and (ii) Baa3 or higher by Moody's, or the equivalent of such ratings by S&P, Moody's or Fitch and the equivalent in respect of rating categories of any Rating

Investment Grade bezeichnet ein Rating von (i) BBB- oder höher im Fall von S&P und Fitch und (ii) Baa3 oder höher im Fall von Moody's, oder das entsprechende Äquivalent dieser Ratings im Fall von S&P, Moody's oder Fitch sowie das entsprechende

Agencies substituted for S&P, Moody's or Fitch.

Put Record Date means the Payment Business Day fixed by the Issuer pursuant to § 5(4)(b) which will be not less than 20 nor more than 30 days after the notice of the Put Event has been published in accordance with § 12.**]**

[*If the Notes are subject to Early Redemption at the Option of the Issuer (Call Redemption Amount), the following applies:*

[(6)] Early Redemption at the Option of the Issuer (Call Redemption Amount).

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all or some only of the Notes within the Call Redemption Period(s) at the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the relevant redemption date.

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

[*If Notes are subject to Early Redemption at the Option of the Holder, the following applies:* The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under subparagraph **[**(8)**]** of this § 5.**]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 12. Such notice shall specify:

(i) the series of Notes subject to redemption;

(ii) whether such series is to be redeemed in whole or in part only and, if in part only, the aggregate

Äquivalent in den Ratingkategorien einer anderen Ratingagentur, durch die S&P, Moody's oder Fitch ersetzt wurde.

Rückzahlungsstichtag bezeichnet den von der Emittentin gemäß § 5(4)(b) festgelegten Geschäftstag, der nicht weniger als 20 und nicht mehr als 30 Tage nach dem Tag der Veröffentlichung des Rückzahlungsereignisses gemäß § 12 liegen darf.**]**

[*Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen (Wahl-Rückzahlungsbetrag (Call)), ist folgendes anwendbar:*

[(6)] Vorzeitige Rückzahlung nach Wahl der Emittentin (Wahl-Rückzahlungsbetrag (Call)).

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt oder teilweise innerhalb des/der Wahl-Rückzahlungszeitraums/räume (Call) zum/zu den Wahl-Rückzahlungsbetrag/beträgen (Call), wie nachfolgend angegeben, nebst etwaigen bis zum maßgeblichen Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Wahl-Rück-zahlungszeitraum/räume (Call)	Wahl-Rück-zahlungsbetrag/ beträge (Call)
[*Wahl-Rückzahlungs-zeitraum/ räume*]	**[*Wahl-Rückzahlungs-betrag/beträge*]**
[●]	**[●]**
[●]	**[●]**

[*Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar*: Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach Absatz **[(8)**]** dieses § 5 verlangt hat.**]**

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 12 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im

principal amount of the Notes which are to be redeemed;

(iii) the relevant redemption date, which shall be not less than 20 nor more than 40 days after the date on which notice is given by the Issuer to the Holders; and

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

(c) In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System. **[*In the case of Notes in NGN form, the following applies:*** For technical procedure of the ICSDs, in the case of a partial redemption the outstanding redemption amount will be reflected in the records of the ICSDs as either a reduction in nominal amount or as a pool factor, at the discretion of the ICSDs.**]]**

[*If the Notes are subject to Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event the following applies:*

[(7)] Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event.

(a) Upon the occurrence of a Transaction Trigger Event, the Issuer may, upon notice given in accordance with clause (b), redeem all of the Notes on the Event Redemption Date at the Event Redemption Amount together with interest (if any) to the Event Redemption Date (excluding).

The Issuer may waive its right to call the Notes for redemption based on a Transaction Trigger Event by giving notice in accordance with § 12.

letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen;

(iii) den maßgeblichen Rückzahlungstag, der nicht weniger als 20 und nicht mehr als 40 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf; und

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

(c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearingsystems ausgewählt. **[*Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist folgendes anwendbar:*** Für das technische Verfahren der ICSDs wird im Fall einer teilweisen Rückzahlung der entstehende Rückzahlungsbetrag entweder als reduzierter Nennbetrag oder als Poolfaktor nach Ermessen der ICSDs in das Register der ICSDs aufgenommen.**]]**

[*Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig bei Eintritt eines Transaktions-Ereignisses zurückzuzahlen, ist folgendes anwendbar:*

[(7)] Vorzeitige Rückzahlung nach Wahl der Emittentin bei Eintritt eines Transaktions-Ereignisses.

(a) Die Emittentin kann, nachdem ein Transaktions-Ereignis aufgetreten ist und sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt an dem Ereignis-Rückzahlungstag zum Ereignis-Rückzahlungsbetrag, wie nachfolgend angegeben, nebst etwaigen bis zum Ereignis-Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Die Emittentin kann auf ihr Recht zur vorzeitigen Kündigung der Schuldverschreibungen aufgrund eines Transaktions-Ereignisses durch Bekanntmachung gemäß § 12 verzichten.

[*If the Notes are subject to Early Redemption at the Option of the Holder the following applies:* The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under § 5**[**(8)**].]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 12. Such notice shall specify:

(i) the series of Notes subject to redemption;

(ii) the Event Redemption Date, which shall be not less than 30 days nor more than 60 days after the date on which notice of the occurrence of the Transaction Trigger Event is given by the Issuer to the Holders; and

(iii) the Event Redemption Amount at which such Notes are to be redeemed.

(c) Whereby:

Event Redemption Amount means [***insert amount per Note***].

Event Redemption Date means the date fixed for redemption of the Notes pursuant to § 5 [(7)] (b).

Transaction means [***insert description of envisaged acquisition transaction for which the Notes are intended to be issued for (re)financing purposes***].

Transaction Trigger Event means a notice given by the Issuer to the Holders [***in the case of a Transaction Trigger Cut-off Date insert:*** on or prior to [***Transaction Trigger Cut-off Date***]] in accordance with § 12 that the Transaction has been terminated prior to completion and the Issuer has publicly stated that it no longer intends to pursue the Transaction.]

[*Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar:* Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach § 5[(8)] verlangt hat.]

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 12 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(ii) den Ereignis-Rückzahlungstag, der nicht weniger als 30 Tage und nicht mehr als 60 Tage nach dem Tag der Mitteilung des Eintritts eines Transaktions-Ereignisses durch die Emittentin gegenüber den Gläubigern liegen darf; und

(iii) den Ereignis-Rückzahlungsbetrag, zu dem die Schuldverschreibungen zurückgezahlt werden.

(c) Dabei gilt:

Ereignis-Rückzahlungsbetrag bezeichnet **[*Betrag pro Schuldverschreibung einfügen*]**.

Ereignis-Rückzahlungstag bezeichnet den Tag, der für die Rückzahlung der Schuldverschreibungen gemäß § 5 **[**(7)**]** (b) festgesetzt wurde.

Transaktion bezeichnet **[*Beschreibung der geplanten Akquisitionstransaktion, für deren (Re-)Finanzierung die Schuldverschreibungen begeben werden*]**.

Transaktions-Ereignis bezeichnet die Mitteilung der Emittentin **[*Im Fall eines Transaktions-Stichtages, einfügen:*** an oder vor dem **[*Transaktions-Stichtag*]]** an die Gläubiger gemäß § 12, dass die Transaktion vor ihrem Abschluss abgebrochen wurde und die Emittentin öffentlich erklärt hat, dass sie nicht länger beabsichtigt, die Transaktion zu verfolgen.**]**

**[*If the Notes are subject to Early Redemption at the Option of the Holder the following applies:*

[(8)] Early Redemption at the Option of a Holder.

(a) The Issuer shall, at the option of the Holder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

Put Redemption Date(s)	Put Redemption Amount(s)
[*Put Redemption Date(s)*]	**[*Put Redemption Amount(s)*]**
[●]	**[●]**
[●]	**[●]**

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of any of its options to redeem such Note under this § 5.

(b) In order to exercise such option, the Holder must, not less than **[*Minimum Notice to Issuer*]** nor more than **[*Maximum Notice to Issuer*]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Redemption Notice (as defined below), submit during normal business hours at the specified office of the Fiscal Agent a duly completed early redemption notice (***Put Redemption Notice***) in the form available from the specified offices of the Fiscal Agent and the Paying Agent. The Put Redemption 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. No option so exercised may be revoked or withdrawn. 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.**]**

**[*Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar:*

[(8)] Vorzeitige Rückzahlung nach Wahl des Gläubigers.

(a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger am/an den Wahl-Rückzahlungstag(en) (Put) zum/zu dem/den Wahl-Rückzahlungsbetrag/beträgen (Put), wie nachfolgend angegeben nebst etwaigen bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

Wahl-Rückzahlungstag(e) (Put)	Wahl-Rückzahlungsbetrag/beträge (Put)
[*Wahl- Rückzahlungstag(e)*]	**[*Wahl-Rückzahlungsbetrag/beträge*]**
[●]	**[●]**
[●]	**[●]**

Dem Gläubiger steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung die Emittentin zuvor in Ausübung eines ihrer Wahlrechte nach diesem § 5 verlangt hat.

(b) Um dieses Wahlrecht auszuüben, hat der Gläubiger nicht weniger als **[*Mindestkündigungsfrist*]** und nicht mehr als **[*Höchstkündigungsfrist*]** Tage vor dem Wahl-Rückzahlungstag (Put), an dem die Rückzahlung gemäß der Rückzahlungs-Ausübungserklärung (wie nachfolgend definiert) erfolgen soll, der bezeichneten Geschäftsstelle der Emissionsstelle während der normalen Geschäftszeiten eine ordnungsgemäß ausgefüllte Mitteilung zur vorzeitigen Rückzahlung (die ***Rückzahlungs-Ausübungserklärung***), wie sie bei den bezeichneten Geschäftsstellen der Emissionsstelle und der Zahlstelle erhältlich ist, zu übermitteln. Die Rückzahlungs-Ausübungserklärung hat anzugeben: (i) den Nennbetrag der Schuldverschreibungen, für die das Wahlrecht ausgeübt wird und (ii) die Wertpapier-Kenn-Nummer dieser Schuldverschreibungen (soweit vergeben). Die Ausübung des Wahlrechts kann nicht widerrufen werden. Die Rückzahlung der

Schuldverschreibungen, für welche das Wahlrecht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder deren Order.**]**

(9) Purchase

Subject to applicable laws, the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** , the Guarantor**]** or any Subsidiary may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

(9) Ankauf

Die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** , die Garantin**]** oder eine Tochtergesellschaft können, soweit gesetzlich zulässig, jederzeit Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.

§ 6
(THE FISCAL AGENT, THE PAYING AGENT AND THE CALCULATION AGENT)

(1) Appointment; Specified Office.

The initial fiscal agent (the ***Fiscal Agent***) and the initial paying agent (the ***Paying Agent***) and its initial specified office shall be:

Deutsche Bank Aktiengesellschaft
Trust & Agency Services
Taunusanlage 12
60325 Frankfurt am Main
Germany

The initial calculation agent (the ***Calculation Agent***) and its initial specified office shall be:

[Deutsche Bank Aktiengesellschaft
Trust & Agency Services
Taunusanlage 12
60325 Frankfurt am Main
Germany]

[●]

The Fiscal Agent, the Paying Agent and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified office in the same country.

(2) Variation or Termination of Appointment.

The Issuer reserves the right to vary or terminate the appointment of the Fiscal Agent or any Paying Agent or the Calculation Agent

§ 6
(DIE EMISSIONSSTELLE, DIE ZAHLSTELLE UND DIE BERECHNUNGSSTELLE)

(1) Bestellung; bezeichnete Geschäftsstelle.

Die anfänglich bestellte Emissionsstelle (die ***Emissionsstelle***) und die anfänglich bestellte Zahlstelle (die ***Zahlstelle***) und ihre bezeichnete Geschäftsstelle lautet wie folgt:

Deutsche Bank Aktiengesellschaft
Trust & Agency Services
Taunusanlage 12
60325 Frankfurt am Main
Deutschland

Die anfänglich bestellte Berechnungsstelle (die ***Berechnungsstelle***) und ihre bezeichnete Geschäftsstelle lautet wie folgt:

[Deutsche Bank Aktiengesellschaft
Trust & Agency Services
Taunusanlage 12
60325 Frankfurt am Main
Deutschland]

[●]

Die Emissionsstelle, die Zahlstelle und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre jeweiligen bezeichneten Geschäftsstellen durch eine andere bezeichnete Geschäftsstelle in demselben Land zu ersetzen.

(2) Änderung der Bestellung oder Abberufung.

Die Emittentin behält sich das Recht vor, die Bestellung der Emissionsstelle oder einer Zahlstelle oder der

at any time and to appoint another Fiscal Agent or additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain (i) a Fiscal Agent **[*in the case of Notes listed on a stock exchange the following applies*: [,] [**and**]** (ii) so long as the Notes are listed on the **[*name of Stock Exchange*]**, a Paying Agent (which may be the Fiscal Agent) with a specified office in **[*location of Stock Exchange*]** and/or in such other place as may be required by the rules of such stock exchange**] [**,**] [**and**]** [(iii)] a Paying Agent in an EU Member State, if possible, that will not be obliged to withhold or deduct tax in connection with any payment made in relation to the Notes unless the Paying Agent would be so obliged in each other EU Member State if it were located there, **[**,**] [**and**] [**(iv)**]** a Calculation Agent **[*in the case of payments in United States dollar the following applies*:** and **[**(v)**]** if payments at or through the offices of all Paying Agents outside the United States (as defined in § 1(6)) 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 United States dollar, a Paying Agent with a specified office in New York City**]**. Any variation, termination, appointment or other change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 12.

Berechnungsstelle jederzeit zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Zahlstellen oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt (i) eine Emissionsstelle unterhalten **[*im Fall von Schuldverschreibungen, die an einer Börse notiert sind, ist folgendes anwendbar*:[,] [**und**]** (ii) solange die Schuldverschreibungen an der **[*Name der Börse*]** notiert sind, eine Zahlstelle (die die Emissionsstelle sein kann) mit bezeichneter Geschäftsstelle in **[*Sitz der Börse*]** und/oder an solchen anderen Orten unterhalten, die die Regeln dieser Börse verlangen**] [**,**] [**und**]** [(iii)] eine Zahlstelle in einem Mitgliedsstaat der Europäischen Union, sofern dies möglich ist, unterhalten, die nicht zum Einbehalt oder Abzug von Quellensteuern oder sonstigen Abzügen verpflichtet ist, es sei denn, dass eine solche Einbehalts- oder Abzugspflicht auch in allen anderen Mitgliedsstaaten der Europäischen Union bestünde **[**,**] [**und**] [**(iv)**]** eine Berechnungsstelle unterhalten **[*im Fall von Zahlungen in US-Dollar ist folgendes anwendbar*:** und **[**(v)**]** falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 1(6) definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City unterhalten**]**. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 12 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) Agent of the Issuer.

The Fiscal Agent, the Paying Agent and the Calculation Agent act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

(3) Erfüllungsgehilfe(n) der Emittentin.

Die Emissionsstelle, die Zahlstelle und die Berechnungsstelle handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

§ 7
(TAXATION)

**[*In the case of Notes issued by ZF Friedrichshafen AG, the following applies:*

All payments of principal and interest made by the Issuer in respect of the Notes to the Holders shall be made free and clear of, and without withholding or deduction for, any present or future taxes or duties of whatever nature imposed or levied by way of deduction or withholding by or on behalf of (1) the Federal Republic of Germany or any authority therein or thereof having power to tax, (2) any jurisdiction from or through which payment on the Notes is made, or any political subdivision or governmental authority thereof or therein having the power to tax and/or (3) any other jurisdiction in which the payor is organized or otherwise considered to be resident or doing business for tax purposes, or any political subdivision or governmental authority thereof or therein having the power to tax (each a ***Relevant Taxing Jurisdiction***), unless such deduction or withholding is required by law. In that event the Issuer shall pay such additional amounts (the ***Additional Amounts***) as shall result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to:

(a) taxes or duties which are payable by any Person acting as custodian bank or collecting agent on behalf of a Holder, 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) payments that would not have been so imposed but for the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or a person having a power over, such Holder) and any Relevant Taxing Jurisdiction including,

§ 7
(STEUERN)

**[*Im Fall von Schuldverschreibungen, die von ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*

Alle in Bezug auf die Schuldverschreibungen von der Emittentin an die Gläubiger zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug an der Quelle für oder wegen gegenwärtiger oder zukünftiger Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen (1) der Bundesrepublik Deutschland oder einer dort zur Steuererhebung ermächtigten Behörde, (2) einer Rechtsordnung, aus der bzw. über die eine Zahlung auf die Schuldverschreibungen geleistet wird, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde, und/oder (3) einer anderen Rechtsordnung, in der die zahlende Partei errichtet ist oder anderweitig als gebietsansässig gilt oder im steuerlichen Sinn geschäftlich tätig ist, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde (jeweils eine ***Relevante Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (***Zusätzliche Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären; jedoch sind solche Zusätzlichen Beträge nicht zu zahlen in Bezug auf:

(a) Steuern oder Abgaben, die von einer als Depotbank oder Inkassobeauftragter eines Gläubigers handelnden Person oder auf eine sonstige Weise zu entrichten sind, die keinen Abzug oder Einbehalt von Zahlungen von Kapital oder Zinsen durch die Emittentin darstellen; oder

(b) Zahlungen, die nicht erhoben worden wären, wenn nicht eine gegenwärtige oder ehemalige Beziehung zwischen dem betreffenden Gläubiger (oder einem Treuhänder, Treugeber, Begünstigten, Mitglied oder Gesellschafter dieses Gläubigers oder einer Person, die beherrschenden Einfluss

without limitation, such Holder (or such fiduciary, settlor, beneficiary, member, shareholder or person having such a power) being or having been a citizen or resident or treated as a resident of, being or having been engaged in a trade or business in, or having or having had a permanent establishment in, a Relevant Taxing Jurisdiction other than any connections arising solely from a Holder acquiring, holding or disposing of, receiving any payment under or with respect to or enforcing a Note; or

auf diesen Gläubiger hat) und einer Relevanten Steuerjurisdiktion bestehen würde, unter anderem in der Form, dass der betreffende Gläubiger (bzw. Treuhänder, Treugeber, Begünstigte, Mitglied, Gesellschafter oder die Person, die solchen Einfluss hat) Staatsbürger einer Relevanten Steuerjurisdiktion ist oder war oder dort ansässig ist oder war oder als dort ansässig gilt oder galt oder dort ein Gewerbe oder eine Geschäftstätigkeit betreibt oder betrieben hat oder dort eine Betriebsstätte unterhält oder unterhalten hat, mit Ausnahme von Beziehungen, die allein dadurch entstehen, dass ein Gläubiger eine Schuldverschreibung erwirbt, hält oder veräußert bzw. eine Zahlung darunter oder in Bezug auf diese erhält oder Ansprüche darauf geltend macht; oder

(c) payments to, or to a third party on behalf of, a Holder where no such withholding or deduction would have been required to be made if the Notes were credited at the time of payment to a securities deposit account with a bank, financial services institution, securities trading business or securities trading bank, in each case outside the Relevant Taxing Jurisdiction; or

(c) Zahlungen an den Gläubiger oder an einen Dritten für den Gläubiger, falls kein Einbehalt oder Abzug hätte erfolgen müssen, wenn die Schuldverschreibung zum Zeitpunkt der fraglichen Zahlung einem Depotkonto bei einer bzw. einem nicht in der Relevanten Steuerjurisdiktion ansässigen Bank, Finanzdienstleistungsinstitut, Wertpapierhandelsunternehmen oder Wertpapierhandelsbank gutgeschrieben gewesen wäre; oder

(d) payments where such withholding or deduction is imposed pursuant to (i) any European Union Directive or Regulation concerning the taxation of savings, or (ii) any international treaty or understanding relating to such taxation and to which the Relevant Taxing Jurisdiction or the European Union is a party/are parties, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or (iv) the Luxembourg law of December 23, 2005; or

(d) falls der Einbehalt oder Abzug gemäß (i) einer Richtlinie oder Verordnung der Europäischen Union zur Zinsbesteuerung oder (ii) einem internationalen Abkommen oder Übereinkommen zu einer solchen Besteuerung, bei dem die Relevante Steuerjurisdiktion oder die Europäische Union Parteien sind, oder (iii) einem diese Richtlinie oder Verordnung oder dieses Abkommen oder Übereinkommen umsetzenden oder sie befolgenden oder zu ihrer Befolgung erlassenen Gesetz, oder (iv) dem Luxemburger Gesetz vom 23. Dezember 2005 erhoben wird; oder

(e) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who could lawfully mitigate (but has not so mitigated) such withholding or deduction by complying or procuring that any third party complies with any statutory requirements

(e) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger zahlbar ist, der einen solchen Einbehalt oder Abzug dadurch rechtmäßigerweise hätte vermindern können (aber nicht vermindert hat), dass er gesetzliche

or by making or procuring that a third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the payment is effected; or

Vorschriften beachtet, oder dafür sorgt, dass Dritte dieses tun, oder dadurch dass er eine Nicht-ansässigkeitserklärung oder einen ähnlichen Antrag auf Quellensteuer-befreiung gegenüber der am Zahlungsort zuständigen Steuerbehörde abgibt oder dafür sorgt, dass dies durch einen Dritten erfolgt, oder

(f) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who would have been able to mitigate such withholding or deduction by effecting a payment via another paying agent in a Member State of the European Union not obliged to withhold or deduct tax; or

(f) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger vorzunehmen ist, der einen solchen Einbehalt oder Abzug durch die Bewirkung einer Zahlung über eine andere Zahlstelle in einem Mit-gliedsstaat der Europäischen Union, welche nicht zu einem solchen Einbehalt oder Abzug verpflichtet ist, hätte vermindern können; oder

(g) payments to the extent such withholding or deduction is for or on account of the presentation by the Holder of any Note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or

(g) soweit der Einbehalt oder Abzug für einen Gläubiger oder dessen Rechnung vorzunehmen ist, der Schuldverschreibungen mehr als 30 Tage nach dem Tag, an dem eine Zahlung unter den Schuldverschreibungen fällig und zahlbar wurde bzw., soweit dies später eintritt, nach dem Tag, an dem die Zahlung ordnungsgemäß vorgenommen wurde, vorgelegt hat; oder

(h) payments to the extent such withholding or deduction is required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Internal Revenue Code***), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Internal Revenue Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Internal Revenue Code; or

(h) soweit der Einbehalt oder Abzug gemäß §§ 1471 bis 1474 des U.S. Internal Revenue Code von 1986 in seiner jeweils gültigen Fassung (der ***Internal Revenue Code***), jeder gegenwärtigen oder zukünftigen Verordnung oder offiziellen Auslegung davon, jeder Vereinbarung, die gemäß § 1471(b) des Internal Revenue Codes eingegangen wurde oder jeder steuerlichen oder regulatorischen Gesetzgebung, sowie steuerlichen und regulatorischen Gesetzen oder Vorgehensweisen, die nach einem zwischenstaatlichen Vertrag, der zur Umsetzung der Bestimmungen des Internal Revenue Codes geschlossen wurde, vorzunehmen ist; oder

(i) any combination of items (a)-(i);

(i) jegliche Kombination der Absätze (a)-(i).

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als

such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction(s) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.**]**

Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer erhält, soweit nach den Gesetzen der Relevanten Steuerjurisdiktion(en) eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder dem Gesellschafter der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer unmittelbarer Gläubiger der Schuldverschreibungen wäre.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

All payments of principal and interest made by the Issuer in respect of the Notes to the Holders shall be made free and clear of, and without withholding or deduction for, any present or future taxes or duties of whatever nature imposed or levied by way of deduction or withholding by or on behalf of (1) the Federal Republic of Germany **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Kingdom of The Netherlands**]** or any authority therein or thereof having power to tax, (2) any jurisdiction from or through which payment on the Notes or the Guarantee is made, or any political subdivision or governmental authority thereof or therein having the power to tax and/or (3) any other jurisdiction in which the payor is organized or otherwise considered to be resident or doing business for tax purposes, or any political subdivision or governmental authority thereof or therein having the power to tax (each a ***Relevant Taxing Jurisdiction***), unless such deduction or withholding is required by law. In that event the Issuer shall pay such additional amounts (the ***Additional Amounts***) as shall result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to

[*Im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*

Alle in Bezug auf die Schuldverschreibungen von der Emittentin an die Gläubiger zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug an der Quelle für oder wegen gegenwärtiger oder zukünftiger Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen (1) der Bundesrepublik Deutschland **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder des Königreichs der Niederlande**]** oder einer dort zur Steuererhebung ermächtigten Behörde, (2) einer Rechtsordnung, aus der bzw. über die eine Zahlung auf die Schuldverschreibungen oder die Garantie geleistet wird, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde, und/oder (3) einer anderen Rechtsordnung, in der die zahlende Partei errichtet ist oder anderweitig als gebietsansässig gilt oder im steuerlichen Sinn geschäftlich tätig ist, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde (jeweils eine ***Relevante Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (***Zusätzliche Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären; jedoch sind solche

(a) taxes or duties which are payable by any Person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer or the Guarantor, as applicable, from payments of principal or interest made by it; or

(b) payments that would not have been so imposed but for the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or a person having a power over, such Holder) and any Relevant Taxing Jurisdiction including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, member, shareholder or person having such a power) being or having been a citizen or resident or treated as a resident of, being or having been engaged in a trade or business in, or having or having had a permanent establishment in, a Relevant Taxing Jurisdiction other than any connections arising solely from a Holder acquiring, holding or disposing of, receiving any payment under or with respect to or enforcing a Note or the Guarantee; or

(c) payments to, or to a third party on behalf of, a Holder where no such withholding or deduction would have been required to be made if the Notes were credited at the time of payment to a securities deposit account with a bank, financial services institution, securities trading business or securities trading bank, in each case outside the Relevant Taxing Jurisdiction; or

(d) payments where such withholding or deduction is imposed pursuant to (i) any European Union Directive or Regulation concerning the taxation of savings, or (ii) any international treaty or understanding

Zusätzlichen Beträge nicht zu zahlen in Bezug auf:

(a) Steuern oder Abgaben, die von einer als Depotbank oder Inkassobeauftragter eines Gläubigers handelnden Person oder auf eine sonstige Weise zu entrichten sind, die keinen Abzug oder Einbehalt von Zahlungen von Kapital oder Zinsen durch die Emittentin bzw. die Garantin darstellen; oder

(b) Zahlungen, die nicht erhoben worden wären, wenn nicht eine gegenwärtige oder ehemalige Beziehung zwischen dem betreffenden Gläubiger (oder einem Treuhänder, Treugeber, Begünstigten, Mitglied oder Gesellschafter dieses Gläubigers oder einer Person, die beherrschenden Einfluss auf diesen Gläubiger hat) und einer Relevanten Steuerjurisdiktion bestehen würde, unter anderem in der Form, dass der betreffende Gläubiger (bzw. Treuhänder, Treugeber, Begünstigte, Mitglied, Gesellschafter oder die Person, die solchen Einfluss hat) Staatsbürger einer Relevanten Steuerjurisdiktion ist oder war oder dort ansässig ist oder war oder als dort ansässig gilt oder galt oder dort ein Gewerbe oder eine Geschäftstätigkeit betreibt oder betrieben hat oder dort eine Betriebsstätte unterhält oder unterhalten hat, mit Ausnahme von Beziehungen, die allein dadurch entstehen, dass ein Gläubiger eine Schuldverschreibung oder Ansprüche aus der Garantie erwirbt, hält oder veräußert bzw. eine Zahlung darunter oder in Bezug auf diese erhält oder Ansprüche darauf geltend macht; oder

(c) Zahlungen an den Gläubiger oder an einen Dritten für den Gläubiger, falls kein Einbehalt oder Abzug hätte erfolgen müssen, wenn die Schuldverschreibung zum Zeitpunkt der fraglichen Zahlung einem Depotkonto bei einer bzw. einem nicht in der Relevanten Steuerjurisdiktion ansässigen Bank, Finanzdienstleistungsinstitut, Wertpapierhandelsunternehmen oder Wertpapierhandelsbank gutgeschrieben gewesen wäre; oder

(d) falls der Einbehalt oder Abzug gemäß (i) einer Richtlinie oder Verordnung der Europäischen Union zur Zinsbesteuerung oder (ii) einem internationalen Abkommen oder

relating to such taxation and to which the Relevant Taxing Jurisdiction or the European Union is a party/are parties, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or (iv) the Luxembourg law of December 23, 2005; or

Übereinkommen zu einer solchen Besteuerung, bei dem die Relevante Steuerjurisdiktion oder die Europäische Union Parteien sind, oder (iii) einem diese Richtlinie oder Verordnung oder dieses Abkommen oder Übereinkommen umsetzenden oder sie befolgenden oder zu ihrer Befolgung erlassenen Gesetz, oder (iv) dem Luxemburger Gesetz vom 23. Dezember 2005 erhoben wird; oder

(e) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who could lawfully mitigate (but has not so mitigated) such withholding or deduction by complying or procuring that any third party complies with any statutory requirements or by making or procuring that a third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the payment is effected; or

(e) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger zahlbar ist, der einen solchen Einbehalt oder Abzug dadurch rechtmäßigerweise hätte vermindern können (aber nicht vermindert hat), dass er gesetzliche Vorschriften beachtet, oder dafür sorgt, dass Dritte dieses tun, oder dadurch dass er eine Nicht-ansässigkeitserklärung oder einen ähnlichen Antrag auf Quellensteuer-befreiung gegenüber der am Zahlungsort zuständigen Steuerbehörde abgibt oder dafür sorgt, dass dies durch einen Dritten erfolgt, oder

(f) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who would have been able to mitigate such withholding or deduction by effecting a payment via another paying agent in a Member State of the European Union not obliged to withhold or deduct tax; or

(f) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger vorzunehmen ist, der einen solchen Einbehalt oder Abzug durch die Bewirkung einer Zahlung über eine andere Zahlstelle in einem Mitgliedsstaat der Europäischen Union, welche nicht zu einem solchen Einbehalt oder Abzug verpflichtet ist, hätte vermindern können; oder

(g) payments to the extent such withholding or deduction is for or on account of the presentation by the Holder of any Note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or

(g) soweit der Einbehalt oder Abzug für einen Gläubiger oder dessen Rechnung vorzunehmen ist, der Schuldverschreibungen mehr als 30 Tage nach dem Tag, an dem eine Zahlung unter den Schuldverschreibungen fällig und zahlbar wurde bzw., soweit dies später eintritt, nach dem Tag, an dem die Zahlung ordnungsgemäß vorgenommen wurde, vorgelegt hat; oder

(h) payments to the extent such withholding or deduction is required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the ***Internal Revenue Code***), any current or future regulations or

(h) soweit der Einbehalt oder Abzug gemäß §§ 1471 bis 1474 des U.S. Internal Revenue Code von 1986 in seiner jeweils gültigen Fassung (der ***Internal Revenue Code***), jeder gegenwärtigen oder zukünftigen

official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Internal Revenue Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Internal Revenue Code; or

Verordnung oder offiziellen Auslegung davon, jeder Vereinbarung, die gemäß § 1471(b) des Internal Revenue Codes eingegangen wurde oder jeder steuerlichen oder regulatorischen Gesetzgebung, sowie steuerlichen und regulatorischen Gesetzen oder Vorgehensweisen, die nach einem zwischenstaatlichen Vertrag, der zur Umsetzung der Bestimmungen des Internal Revenue Codes geschlossen wurde, vorzunehmen ist; oder

(i) [***in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** taxes or duties that are required to be withheld pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*); or]

(i) [***im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** Steuern oder Abgaben, die gemäß dem niederländischen Quellensteuergesetz 2021 (*Wet bronbelasting 2021*) einbehalten werden müssen; oder]

(j) any combination of items (a)-[***in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** (i)];

(j) jegliche Kombination der Absätze (a)-[***im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** (i)].

nor shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction(s) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.**]**

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer erhält, soweit nach den Gesetzen der Relevanten Steuerjurisdiktion(en) eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder dem Gesellschafter der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer unmittelbarer Gläubiger der Schuldverschreibungen wäre.**]**

For the avoidance of doubt: No Additional Amounts will be paid with respect to German *Kapitalertragsteuer* (including *Abgeltungsteuer*) to be deducted or withheld pursuant to the German Income Tax Act, even if the deduction or withholding has to be made by the Issuer or its representative, and the German Solidarity Surcharge (*Solidaritätszuschlag*) or any other tax which may substitute the German

Zur Klarstellung: Keine Zusätzlichen Beträge werden gezahlt in Bezug auf die deutsche Kapitalertragsteuer (inklusive der sog. Abgeltungsteuer), die nach dem deutschen Einkommensteuergesetz abgezogen oder einbehalten wird, auch wenn der Abzug oder Einbehalt durch die Emittentin oder ihren Vertreter vorzunehmen ist, und den deutschen Solidaritätszuschlag oder jede andere

Kapitalertragsteuer or *Solidaritätszuschlag*, as the case may be.

§ 8
(PRESENTATION PERIOD)

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

§ 9
(EVENTS OF DEFAULT)

(1) Events of default.

Each Holder shall be entitled to declare due and payable by notice to the Fiscal Agent its entire claims arising from the Notes and demand immediate redemption thereof at the principal amount together with accrued interest (if any) to (but excluding) the date of repayment, in the event that:

(a) the Issuer fails to pay principal or interest under the Notes within 10 Payment Business Days from the relevant due date, or

(b) **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:** the Guarantor fails to pay amounts payable under the Guarantee within 10 Payment Business Days from the relevant due date, or**]**

(c) the Issuer fails to duly perform any other material obligation arising from the Notes **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** or the Guarantor fails to perform any other material obligation arising from the Guarantee**]** and such failure continues unremedied for more than 30 days after the Fiscal Agent has received a request thereof in the manner set forth in § 9(3) from a Holder to perform such obligation; or

(d) the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or any Material Subsidiary fails to fulfil any payment obligation in excess of EUR 100,000,000

Steuer, welche die deutsche Kapitalertragsteuer bzw. den Solidaritätszuschlag ersetzen sollte.

§ 8
(VORLEGUNGSFRIST)

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

§ 9
(KÜNDIGUNG)

(1) Kündigungsgründe.

Jeder Gläubiger ist berechtigt, seine sämtlichen Forderungen aus den Schuldverschreibungen durch Kündigung gegenüber der Emissionsstelle fällig zu stellen und die unverzügliche Rückzahlung zum Nennbetrag, zuzüglich etwaiger bis zum Tag der Rückzahlung (ausschließlich) aufgelaufener Zinsen zu verlangen, falls:

(a) die Emittentin auf die Schuldverschreibungen Kapital oder Zinsen nicht innerhalb von 10 Zahltagen nach dem betreffenden Fälligkeitstag zahlt; oder

(b) **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Garantin auf die Garantie zahlbare Beträge nicht innerhalb von 10 Zahltagen nach dem Fälligkeitstag zahlt; oder**]**

(c) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Schuldverschreibungen unterlässt **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** oder die Garantin die Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus der Garantie unterlässt**]** und die Unterlassung jeweils länger als 30 Tage fortdauert, nachdem die Emissionsstelle eine Aufforderung in der in § 9(3) vorgesehenen Art und Weise von dem Gläubiger erhalten hat, die Verpflichtung zu erfüllen; oder

(d) die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar*:**, die Garantin**]** oder eine Wesentliche

or the equivalent thereof under any Capital Market Indebtedness of or under any guarantees or suretyships given for any Capital Market Indebtedness of others within 30 days from its due date or, in the case of such guarantee or suretyship, within 30 days of such guarantee or suretyship being invoked, unless the Issuer **[*in the case of Notes issued by by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or the relevant Material Subsidiary contests in good faith that such payment obligation exists or is due or that such guarantee or suretyship has been validly invoked; or

Tochtergesellschaft eine Zahlungsverpflichtung in Höhe oder im Gegenwert von mehr als EUR 100.000.000 aus einer Kapitalmarktverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für Kapitalmarktverbindlichkeiten Dritter gegeben wurde, nicht innerhalb von 30 Tagen nach ihrer Fälligkeit bzw. im Fall einer Bürgschaft oder Garantie nicht innerhalb von 30 Tagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie erfüllt, es sei denn, die Emittentin **[*im Fall von Schuldverschreibungen, die von by ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder die betreffende Wesentliche Tochtergesellschaft bestreitet in gutem Glauben, dass diese Zahlungsverpflichtung besteht oder fällig ist bzw. diese Bürgschaft oder Garantie berechtigterweise geltend gemacht wird; oder

(e) any Capital Market Indebtedness of the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or any Material Subsidiary in excess of EUR 100,000,000 or the equivalent thereof becomes due and payable prior to its specified maturity as a result of an event of default (however described) for which the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or the Material Subsidiary is responsible; or

(e) eine Kapitalmarktverbindlichkeit der Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** der Garantin**]** oder einer Wesentlichen Tochtergesellschaft in Höhe oder im Gegenwert von mehr als EUR 100.000.000 vor dem Ende ihrer festgelegten Laufzeit als Folge einer von der Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** der Garantin**]** oder einer Wesentlichen Tochtergesellschaft zu vertretenden Leistungsstörung (wie auch immer diese beschrieben ist) fällig gestellt wird; oder

(f) the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**, the Guarantor**]** or any Material Subsidiary suspends its payments generally or announces its inability to meet its financial obligations; or

(f) die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit bekannt gibt; oder

(g) any competent court institutes insolvency proceedings **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** (including bankruptcy proceedings (*faillissement*)

(g) ein Gericht ein Insolvenzverfahren **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben wird, ist folgendes anwendbar:***

and moratorium of payments (*surseance van betaling*) pursuant to the insolvency laws of The Netherlands)**]** against the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**,** the Guarantor**]** or a Material Subsidiary and such proceedings have not been discharged or stayed within 90 days, or the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*,** the Guarantor**]** or a Material Subsidiary applies for the institution of such proceedings, or an application for the institution of such proceedings has been filed but rejected by the competent court for lack of assets, or if the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*,** the Guarantor**]** or a Material Subsidiary offers or makes a general arrangement for the benefit of all of its creditors; or

(einschließlich Konkursverfahren (*faillissement*) und Zahlungsmoratorien (*surseance van betaling*) nach niederländischem Insolvenzrecht)**]** gegen die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft eröffnet und ein solches Verfahren nicht innerhalb von 90 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft die Eröffnung eines solchen Verfahrens beantragt, oder ein auf Eröffnung eines solchen Verfahrens gestellter Antrag von dem zuständigen Gericht mangels Masse abgelehnt wird, oder die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft eine allgemeine Schuldenregelung zu Gunsten all ihrer Gläubiger trifft oder diese anbietet; oder

(h) the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**,** the Guarantor**]** or a Material Subsidiary goes into liquidation (except in connection with a merger or reorganization or other form of combination with another company and such company or, as the case may be, companies effectively assume substantially all of the assets and liabilities of the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:**,** the Guarantor**]** or the relevant Material Subsidiary, as the case may be).

(h) die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** die Garantin**]** oder eine Wesentliche Tochtergesellschaft in Liquidation tritt (es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Reorganisation oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung, sofern die andere oder neue Gesellschaft oder gegebenenfalls die anderen neuen Gesellschaften im Wesentlichen alle Aktiva und Passiva der Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*,** der Garantin**]** oder der betreffenden Wesentlichen Tochtergesellschaft übernimmt oder übernehmen).

(2) No Termination.

(2) Keine Kündigung.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised. No event or circumstance other than an event specified in § 9(1) shall entitle Holders to declare their Notes due and payable prior to their stated maturity, save as expressly provided for in these Terms and Conditions and subject to applicable mandatory law.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde. Vorbehaltlich anwendbaren zwingenden Rechts berechtigen andere Ereignisse oder Umstände als die in § 9(1) genannten den Gläubiger nicht dazu, seine Schuldverschreibungen vorzeitig zur Rückzahlung fällig zu stellen, es sei denn, dies ist ausdrücklich in diesen Emissionsbedingungen bestimmt.

(3) Notice.

Any default notice in accordance with § 9(1) is irrevocable and shall be made at least in text form (§ 126b of the German Civil Code, *Bürgerliches Gesetzbuch*) to the specified office of the Fiscal Agent together with evidence by means of a certificate of the Holder's Custodian (as defined in § 15(4)) that such Holder, at the time of such notice, is a holder of the relevant Notes.

(3) Kündigungserklärung.

Eine Kündigungserklärung gemäß § 9(1) ist unwiderruflich und hat in der Weise zu erfolgen, dass der Gläubiger bei der angegebenen Geschäftsstelle der Emissionsstelle eine entsprechende Erklärung zumindest in Textform (§ 126b Bürgerliches Gesetzbuch) übergibt und dabei durch eine Bescheinigung seiner Depotbank (wie in § 15(4) definiert) nachweist, dass er die betreffenden Schuldverschreibungen zum Zeitpunkt der Erklärung hält.

(4) Quorum.

In the events specified in **[**§ 9(1)(c)**]**, **[**§ 9(1)(d)**]** and/or **[**§ 9(1)(e)**]**, any notice declaring Notes due shall, unless at the time such notice is received any of the events specified in § 9(1)(a)**[**, § 9(1)(b)**]** and **[**§ 9(1)(f)**]** through **[**§ 9(1)(h)**]** entitling Holders to declare their Notes due has occurred, become effective only when the Fiscal Agent has received such default notices from the Holders representing at least 10% of the aggregate principal amount of Notes then outstanding.

(4) Quorum.

In den Fällen gemäß **[**§ 9(1)(c)**]**, **[**§ 9(1)(d)**]** und/oder **[**§ 9(1)(e)**]** wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in § 9(1)(a)[, § 9(1)(b)] und **[**§ 9(1)(f)**]** bis **[**§ 9(1)(h)**]** bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Emissionsstelle Kündigungserklärungen von Gläubigern im Nennbetrag von mindestens 10 % des Gesamtnennbetrages der zu diesem Zeitpunkt noch insgesamt ausstehenden Schuldverschreibungen eingegangen sind.

§ 10
(SUBSTITUTION)

(1) Substitution.

The Issuer (or the Substitute Debtor) may, without the consent of the Holders, if no payment of principal or of interest or any other amount in respect of the Notes is in default, at any time substitute for the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies*:** ZF Friedrichshafen AG or**]** any Affiliate as principal debtor in respect of all obligations arising from or in connection with the Notes (the ***Substitute Debtor***) provided that:

§ 10
(ERSETZUNG)

(1) Ersetzung

Die Emittentin (oder die Nachfolgeschuldnerin) ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen oder einer anderen Zahlung aus den Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** ZF Friedrichshafen AG oder**]** ein verbundenes Unternehmen an Stelle der Emittentin als Hauptschuldnerin (die ***Nachfolgeschuldnerin***) für alle Verpflichtungen aus und im

Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

(a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;

(b) the Substitute Debtor has obtained all necessary governmental authorizations and may transfer to the Principal Paying Agent in the Specified Currency and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

(b) die Nachfolgeschuldnerin alle erforderlichen behördlichen Genehmigungen erhalten hat und berechtigt ist, an die Hauptzahlstelle die zur Erfüllung der Zahlungsverpflichtungen auf die Schuldverschreibungen zu zahlenden Beträge in der Festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

(c) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder as a result of such substitution;

(c) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger infolge der Ersetzung auferlegt werden;

(d) [***In the case of Notes issued by ZF Friedrichshafen AG, the following applies:*** the Issuer**] [*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** the Guarantor if it is not itself the Substitute Debtor] irrevocably and unconditionally guarantees in favor of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms equivalent to the terms of **[*in the case of Notes issued by ZF Friedrichshafen AG, the following applies:*** the guarantee in respect of notes to be issued by ZF Europe Finance B.V. under its Debt Issuance Programme**] [*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** the Guarantee**]**;

(d) [***Im Fall von Schuldverschreibungen, die von ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*** die Emittentin] [***im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Garantin, falls sie nicht selbst die Nachfolgeschuldnerin ist,] unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zu zahlenden Beträge zu Bedingungen garantiert, **[*im Fall von Schuldverschreibungen, die von ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*** die den Bedingungen der Garantie hinsichtlich der Schuldverschreibungen, die von ZF Europe Finance B.V. unter dem Debt Issuance Programme begeben werden,**] [*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die den Bedingungen der Garantie**]** entsprechen;

(e) no event would occur as a result of the substitution that would give rise to the right of the Substitute Debtor to call the Notes for redemption pursuant to § 5(2); and

(f) there will have been delivered to the Principal Paying Agent an opinion or opinions with respect to the relevant jurisdictions of lawyers of recognized standing to the effect that the provisions of this § 10(1) have been satisfied.

Affiliate shall mean any affiliated company (*verbundenes Unternehmen*) within the meaning of § 15 et seq. of the German Stock Corporation Act (*Aktiengesetz*) of ZF Friedrichshafen AG.

(2) References.

In the event of a substitution pursuant to § 10(1), any reference in these Terms and Conditions to the Issuer will be a reference to the Substitute Debtor and any reference to **[*in the case of Notes issued by ZF Friedrichshafen AG, the following applies:*** the Federal Republic of Germany**] [*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** the Kingdom of The Netherlands**]** will be a reference to the Substitute Debtor's country (countries) of domicile for tax purposes. For the avoidance of doubt this will apply only to the extent that the meaning and purpose of the relevant condition does not require that the relevant reference will continue to be a reference only to ZF Friedrichshafen AG (i.e., in particular in relation to § 5(4) (Put Event following a Change of Control), or that the reference will be to the Substitute Debtor and ZF Friedrichshafen AG, in relation to ZF Friedrichshafen AG's obligations under the guarantee pursuant to § 10(1)(d), at the same time).

(3) Notice and Effectiveness of Substitution.

Notice of any substitution of the Issuer will be given by publication in accordance with § 12. Upon such publication, the substitution will become effective, and the Issuer and in the event of a repeated application of this § 10, any previous Substitute Debtor will be

(e) aufgrund der Ersetzung kein Ereignis eintreten würde, welches die Nachfolgeschuldnerin dazu berechtigen würde, die Schuldverschreibung gemäß § 5(2) zu kündigen und zurückzuzahlen; und

(f) der Hauptzahlstelle jeweils ein oder mehrere Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt werden, das bestätigt bzw. die bestätigen, dass die Bestimmungen in diesem § 10(1) erfüllt wurden.

Verbundenes Unternehmen bedeutet jedes mit der ZF Friedrichshafen AG verbundene Unternehmen im Sinne der §§ 15 f. Aktiengesetz.

(2) Bezugnahmen.

Im Fall einer Schuldnerersetzung gemäß § 10(1) gilt jede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin als eine solche auf die Nachfolgeschuldnerin und jede Bezugnahme auf **[*im Fall von Schuldverschreibungen, die von ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*** die Bundesrepublik Deutschland**] [*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** das Königreich der Niederlande**]** als eine solche auf den Staat (die Staaten), in welchem die Nachfolgeschuldnerin steuerlich ansässig ist. 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 ZF Friedrichshafen AG erfolgen soll (also insbesondere im Hinblick auf § 5(4) (Rückzahlungsereignis nach Eintritt eines Kontrollwechsels), oder dass die Bezugnahme auf die Nachfolgeschuldnerin und gleichzeitig auch auf die ZF Friedrichshafen AG, im Hinblick auf deren Verpflichtungen aus der Garantie gemäß § 10(1)(d), erfolgen soll).

(3) Bekanntmachung und Wirksamwerden der Ersetzung.

Die Ersetzung der Emittentin ist gemäß § 12 bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Falle einer wiederholten Anwendung dieses § 10 jede frühere

discharged from any and all obligations under the Notes.

(4) Appointment of Authorized Agent.

For any Proceedings (as defined in § 15(4)) before German courts, the Substitute Debtor, unless it has its domicile in Germany, shall appoint ZF Friedrichshafen AG, Löwentaler Straße 20, 88046 Friedrichshafen, Federal Republic of Germany, as its authorized agent for service of process in Germany.

§ 11
(FURTHER ISSUES)

The Issuer may from time to time, without the consent of the Holders, create and issue further Notes having the same terms and conditions as the Notes of this series in all respects (or in all respects except for the issue date, interest commencement date and/or the issue price) so as to form a single series with the Notes of this series.

§ 12
(NOTICES)

**[*In the case of Notes which are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the following applies:*

(1) Publication.

As long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange (and as long as the rules and regulations of the Luxembourg Stock Exchange so require), all notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (*www.LuxSE.com*). Any notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

(2) Notification to Clearing System.

So long as any Notes are listed on the official list of the Luxembourg Stock Exchange and

Nachfolgeschuldnerin von ihren sämtlichen Verbindlichkeiten aus den Schuldverschreibungen frei.

(4) Bestellung eines Zustellungsbevollmächtigten.

Für etwaige Rechtsstreitigkeiten (wie in § 15(4) definiert) vor deutschen Gerichten wird die Nachfolgeschuldnerin, sofern sie ihren Sitz nicht in Deutschland hat, die ZF Friedrichshafen AG, Löwentaler Straße 20, 88046 Friedrichshafen, Bundesrepublik Deutschland, zu ihrer Zustellungsbevollmächtigten in Deutschland bestellen.

§ 11
(BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN)

Die Emittentin kann ohne Zustimmung der Gläubiger weitere Schuldverschreibungen begeben, die in jeder Hinsicht (gegebenenfalls mit Ausnahme des Tags der Begebung, des Zinslaufbeginns und/oder des Ausgabepreises) die gleichen Bedingungen wie die Schuldverschreibungen dieser Anleihe haben und die zusammen mit den Schuldverschreibungen dieser Anleihe eine einheitliche Gesamtemission bilden.

§ 12
(MITTEILUNGEN)

**[*Im Fall von Schuldverschreibungen, die im amtlichen Kursblatt (official list) der Luxemburger Börse notiert und zum Handel am regulierten Markt der Luxemburger Börse zugelassen sind, ist folgendes anwendbar:*

(1) Bekanntmachung.

Solange Schuldverschreibungen im amtlichen Kursblatt (*official list*) der Luxemburger Börse notiert und zum Handel am regulierten Markt der Luxemburger Börse zugelassen sind (und die Vorschriften der Luxemburger Börse dies verlangen), sind alle die Schuldverschreibungen betreffenden Mitteilungen auf der Internetseite der Luxemburger Börse (*www.LuxSE.com*) zu veröffentlichen. Jede derartige Mitteilung gilt mit dem dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen mit dem dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) Mitteilungen an das Clearingsystem.

Solange Schuldverschreibungen im amtlichen Kursblatt (*official list*) der

admitted to trading on the regulated market of the Luxembourg Stock Exchange, subparagraph (1) shall apply. If the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been given on the seventh day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of Notes which are listed on another stock exchange, the following applies:*

(1) Publication.

All notices concerning the Notes will be made by means of electronic publication on the internet website of the stock exchange with respect to which the Issuer initiated the listing of the Notes, as long as the Notes are listed on such stock exchange and if the rules of such stock exchange so permit. Any such notice will be deemed to have been validly given on the third day following the date of such publication (or, if published more than once, on the third day following the date of the first such publication).

(2) Notification to Clearing System.

So long as any Notes are listed on such a stock exchange, subparagraph (1) shall apply. If the rules of such stock exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been given on the seventh day after the day on which the said notice was given to the Clearing System.**]**

[*In the case of Notes which are unlisted the following applies:*

The Issuer will deliver all notices to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Clearing System.**]**

Luxemburger Börse notiert und zum Handel am regulierten Markt der Luxemburger Börse zugelassen sind, sind alle die Schuldverschreibungen betreffenden Mitteilungen gemäß Absatz 1 bekanntzumachen. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz 1 durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

[*Im Fall von Schuldverschreibungen, die an einer anderen Börse notiert sind, ist folgendes anwendbar:*

(1) Bekanntmachung.

Alle die Schuldverschreibungen betreffenden Mitteilungen sind auf der Internetseite der Börse, an der die Emittentin das Listing der Notes veranlasst hat zu veröffentlichen, solange die Schuldverschreibungen an dieser Börse notiert sind und die Regeln dieser Börse dies zulassen. Jede derartige Mitteilung gilt mit dem dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen mit dem dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) Mitteilungen an das Clearingsystem.

Solange Schuldverschreibungen an dieser Börse notiert sind, sind alle die Schuldverschreibungen betreffenden Mitteilungen gemäß Absatz 1 bekanntzumachen. Soweit die Regeln dieser Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz 1 durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

[*Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, ist folgendes anwendbar:*

Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

[*In the case of Notes that provide for Resolutions of Holders the following applies:*]

§ 13
AMENDMENTS TO THE TERMS AND CONDITIONS BY RESOLUTION, JOINT REPRESENTATIVE [*IN THE CASE OF NOTES ISSUED BY ZF EUROPE FINANCE B.V., THE FOLLOWING APPLIES:*, AMENDMENT OF THE GUARANTEE]

(1) Majority Resolutions pursuant to the German Act on Issues of Debt Securities.

The Issuer may agree with the Holders on amendments to the Terms and Conditions by virtue of a majority resolution of the Holders pursuant to § 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – ***SchVG***), as amended from time to time. In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5 paragraph 3 of the SchVG by resolutions passed by such majority of the votes of the Holders as stated under § 13(2) below. A duly passed majority resolution shall be binding equally upon all Holders.

(2) Qualified Majority.

Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders 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 paragraph 3 numbers 1 through 9 of the SchVG, or relating to material other matters may only be passed by a majority of at least 75% of the voting rights participating in the vote (a ***Qualified Majority***).

(3) Voting.

The Holders may pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with § 5 et seqq. of the SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in

[*Im Fall von Schuldverschreibungen, die Beschlüsse der Gläubiger vorsehen, ist folgendes anwendbar:*]

§ 13
ÄNDERUNG DER EMISSIONSBEDINGUNGEN DURCH BESCHLUSS DER GLÄUBIGER; GEMEINSAMER VERTRETER [*IM FALL VON SCHULDVERSCHREIBUNGEN, DIE VON ZF EUROPE FINANCE B.V. BEGEBEN WERDEN, IST FOLGENDES ANWENDBAR:*, ÄNDERUNG DER GARANTIE]

(1) Mehrheitsbeschlüsse nach dem Schuldverschreibungsgesetz.

Die Emittentin kann mit den Gläubigern gemäß §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (*Schuldverschreibungsgesetz* – ***SchVG***) in seiner jeweils geltenden Fassung Änderungen der Emissionsbedingungen durch Mehrheitsbeschluss der Gläubiger vereinbaren. Insbesondere können die Gläubiger durch Beschluss mit der in § 13(2) genannten Mehrheit Änderungen zustimmen, durch welche der wesentliche Inhalt der Emissionsbedingungen geändert wird, einschließlich der in § 5 Abs. 3 SchVG genannten Maßnahmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger gleichermaßen verbindlich.

(2) Qualifizierte Mehrheit.

Vorbehaltlich der Bestimmungen des folgenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit können die Gläubiger Beschlüsse mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte fassen. Beschlüsse, durch welche der wesentliche Inhalt der Emissionsbedingungen geändert wird, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, oder sonstige wesentliche Maßnahmen beschlossen werden, dürfen nur mit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine ***Qualifizierte Mehrheit***) gefasst werden.

(3) Abstimmung.

Die Gläubiger können Beschlüsse in einer Gläubigerversammlung gemäß §§ 5 ff. SchVG oder im Wege einer Abstimmung ohne Versammlung gemäß § 18 und §§ 5 ff. SchVG fassen.

accordance with § 18 and § 5 et seqq. of the SchVG.

(4) Holders' Meeting.

If resolutions of the Holders shall be made by means of a meeting the convening notice (*Einberufung*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the convening notice. Attendance at the meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 15(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(5) Passing Resolutions without Holders' Meeting.

If resolutions of the Holders shall be made by means of a vote without a meeting the request for voting (*Aufforderung zur Stimmabgabe*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the request for voting. The exercise of voting rights is subject to the Holders' registration. 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, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 15(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(4) Gläubigerversammlung.

Falls Beschlüsse der Gläubiger in einer Gläubigerversammlung gefasst werden, enthält die Bekanntmachung der Einberufung nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Gläubigern mit der Bekanntmachung der Einberufung bekannt gemacht. Die Teilnahme an der Gläubigerversammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(4) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

(5) Beschlussfassung ohne Versammlung.

Falls Beschlüsse der Gläubiger im Wege einer Abstimmung ohne Versammlung gefasst werden, enthält die Aufforderung zur Stimmabgabe nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Gläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(4) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab

dem Tag der Absendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.

(6) Failed Quorum, Second Holders' Meeting.

If it is ascertained that no quorum exists for the meeting pursuant to § 13(4) or the vote without a meeting pursuant to § 13(5), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with § 15 paragraph 3 sentence 2 of the SchVG or in case of a vote without a meeting the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of § 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 15(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(6) Mangelnde Beschlussfähigkeit, zweite Versammlung.

Wird für die Gläubigerversammlung gemäß § 13(4) oder die Abstimmung ohne Versammlung gemäß § 13(5) die mangelnde Beschlussfähigkeit festgestellt, kann – im Fall der Gläubigerversammlung – der Vorsitzende eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 2 SchVG und – im Fall der Abstimmung ohne Versammlung – der Abstimmungsleiter eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Versammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(4) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Versammlung (einschließlich) nicht übertragbar sind, nachweisen.

(7) Holders' representative.

[*If no Holders' Representative is designated in the Terms and Conditions of the Notes the following applies:* The Holders may by majority resolution provide for the appointment or dismissal of a joint representative (the ***Holders' Representative***), the duties and responsibilities and the powers of such Holders' Representative, the transfer of the rights of the Holders to the Holders' Representative and a limitation of liability of the Holders' Representative. § 13(2) to (6) also apply to the resolution regarding the appointment of a Holders' Representative. Appointment of a Holders' Representative may only be passed by a Qualified Majority if such Holders' Representative is to be authorized to consent, in accordance with § 13(2) hereof, to a material change in the substance of the Terms and Conditions or other material matters.**]**

(7) Gemeinsamer Vertreter.

[*Im Fall, dass kein Gemeinsamer Vertreter in den Emissionsbedingungen der Schuldverschreibungen bestimmt ist, ist folgendes anwendbar:* Die Gläubiger können durch Mehrheitsbeschluss einen gemeinsamen Vertreter der Gläubiger (der ***Gemeinsame Vertreter***) bestellen oder abberufen, und die Pflichten, Aufgaben und Befugnisse des Gemeinsamen Vertreters, die Übertragung der Rechte der Gläubiger auf den Gemeinsamen Vertreter und eine Beschränkung der Haftung des Gemeinsamen Vertreters festlegen. § 13(2) bis (6) gelten auch für die Beschlussfassung über die Bestellung eines Gemeinsamen Vertreters. Der Beschluss zur Bestellung eines Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn der Gemeinsame Vertreter befugt ist, Änderungen des wesentlichen Inhalts der

[*If the Holders' Representative is appointed in the Terms and Conditions of the Notes, the following applies:* The joint representative (the ***Holders' Representative***) shall be **[*name, address*]**. The Holders' Representative shall have the duties and responsibilities and powers provided for by law. The liability of the Holders' Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted willfully or with gross negligence. The provisions of the SchVG apply with respect to the dismissal of the Holders' Representative and the other rights and obligations of the Holders' Representative.**]**

(8) Publication.

Any notices concerning this § 13 shall be made exclusively pursuant to the provisions of the SchVG.

(9) Amendment of the Guarantee.

The provisions set out above applicable to the amendment of the Terms and Conditions of the Notes shall apply *mutatis mutandis* **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:*** to the Guarantee and**]** to any guarantee granted in connection with a substitution of the Issuer.**]**

§ 14
(INFORMATION)

[*In the case of Notes issued by ZF Friedrichshafen AG, the following applies:*

(1) The Issuer undertakes that for such time as the Notes have not been redeemed or repurchased and cancelled, to publish an English language version of the Periodic Financial Information on its internet website no later than on the dates specified below (or, if any such day is not a business day in Friedrichshafen, Germany, on the following business day).

Periodic Financial Information means:

Emissionsbedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 13(2) zuzustimmen.**]**

[*Im Fall, dass ein Gemeinsamer Vertreter in den Emissionsbedingungen bestimmt wird, ist folgendes anwendbar:* Der gemeinsame Vertreter (der ***Gemeinsame Vertreter***) ist **[*Name, Adresse*]**. Der Gemeinsame Vertreter hat die Pflichten und Verantwortlichkeiten und Rechte, die ihm von Gesetzes wegen zustehen. Die Haftung des Gemeinsamen Vertreters ist auf den zehnfachen Betrag seiner jährlichen Vergütung begrenzt, es sei denn, der Gemeinsame Vertreter hat vorsätzlich oder grob fahrlässig gehandelt. Die Vorschriften des SchVG gelten im Hinblick auf die Abberufung des Gemeinsamen Vertreters und die sonstigen Rechte und Pflichten des Gemeinsamen Vertreters.**]**

(8) Bekanntmachung.

Bekanntmachungen betreffend diesen § 13 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

(9) Änderung der Garantie.

Die oben aufgeführten auf die Änderung der Emissionsbedingungen der Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*** die Bestimmungen der Garantie und**]** die Bestimmungen einer etwaigen im Zusammenhang mit einer Ersetzung der Emittentin gewährten Garantie.**]**

§ 14
(INFORMATIONEN)

[*Im Fall von Schuldverschreibungen, die von der ZF Friedrichshafen AG begeben werden, ist folgendes anwendbar:*

(1) Die Emittentin verpflichtet sich, solange die Schuldverschreibungen noch nicht zurückgezahlt oder zurückgekauft und entwertet wurden, spätestens an den nachstehend bestimmten Tagen (oder, falls ein solcher Tag kein Geschäftstag in Friedrichshafen, Deutschland, ist, am nächstfolgenden Geschäftstag) eine englischsprachige Fassung der Regelmäßigen Finanzinformationen auf ihrer Internetseite zu veröffentlichen.

Regelmäßige Finanzinformationen bezeichnet:

(i) the audited consolidated financial statements of the Issuer prepared in accordance with Regulation (EC) No. 1606/2002 as amended from time to time or the respective applicable successor provision including the group management report which have to be published no later than six months after the end of the Issuer's preceding financial year; and

(ii) the unaudited condensed consolidated half-yearly interim financial statements of the Issuer (comprising consolidated statement of financial position, condensed consolidated statement of profit or loss and consolidated statement of cash flows) which has to be published no later than the ninetieth calendar day following the end of the second quarter of the Issuer's recent financial year.

(2) The Issuer undertakes not to provide information about itself or any other factors which may affect the value of the Notes to any Holder in addition to the Periodic Financial Information, without providing such information to all Holders at the same time, unless the relevant Holder is provided with such information because of a legal relationship with the Issuer which is independent from its status as Holder.**]**

[*In the case of Notes issued by ZF Europe Finance B.V., the following applies:*

(1) The Guarantor has undertaken in the Guarantee that for such time as the Notes have not been redeemed or repurchased and cancelled, the Guarantor shall publish an English language version of the Periodic Financial Information on its internet website no later than on the dates specified below (or, if any such day is not a business day in Friedrichshafen, Germany, on the following business day).

Periodic Financial Information means

(i) the audited consolidated financial statements of the Guarantor prepared in accordance with Regulation (EC) No. 1606/2002 as amended from time to time or the respective applicable successor provision including the group management report which have to be published no later than six months

(i) den im Einklang mit der Verordnung (EG) 1606/2002 in ihrer jeweils geltenden Fassung bzw. der jeweils anwendbaren Nachfolgeregelung aufgestellten geprüften Konzernabschluss der Emittentin einschließlich des Konzernlageberichts, der jeweils spätestens sechs Monate nach Ende des vorangegangenen Geschäftsjahrs der Emittentin veröffentlicht sein muss; und

(ii) den ungeprüften verkürzten Konzernhalbjahreszwischenabschluss der Emittentin (bestehend aus Konzernbilanz, vereinfachter Konzern-Gewinn- und Verlustrechnung und Konzern-Kapitalflussrechnung), der jeweils spätestens am neunzigsten Kalendertag nach dem Ende des zweiten Quartals des jeweils laufenden Geschäftsjahrs der Emittentin zu veröffentlichen ist.

(2) Die Emittentin verpflichtet sich, es zu unterlassen, einem Gläubiger über die Regelmäßigen Finanzinformationen hinaus, Informationen über sich selbst oder andere Umstände, die den Wert der Schuldverschreibungen beeinflussen können, zukommen zu lassen, ohne diese Informationen zur gleichen Zeit allen Gläubigern bekannt zu machen, es sei denn, der betreffende Gläubiger erhält solche Informationen aufgrund eines Rechtsverhältnisses mit der Emittentin, das von seiner Stellung als Gläubiger der Schuldverschreibungen unabhängig ist.**]**

[*Im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:*

(1) Die Garantin hat sich in der Garantie verpflichtet, solange die Schuldverschreibungen noch nicht zurückgezahlt oder zurückgekauft und entwertet wurden, spätestens an den nachstehend bestimmten Tagen (oder, falls ein solcher Tag kein Geschäftstag in Friedrichshafen, Deutschland, ist, am nächstfolgenden Geschäftstag) eine englischsprachige Fassung der Regelmäßigen Finanzinformationen auf ihrer Internetseite zu veröffentlichen.

Regelmäßige Finanzinformationen bezeichnet

(i) den im Einklang mit der Verordnung (EG) 1606/2002 in ihrer jeweils geltenden Fassung bzw. der jeweils anwendbaren Nachfolgeregelung aufgestellten geprüften Konzernabschluss der Garantin einschließlich des Konzernlageberichts, der jeweils spätestens sechs Monate nach

after the end of the Guarantor's preceding financial year; and

(ii) the unaudited condensed consolidated half-yearly interim financial statements of the Guarantor (comprising consolidated statement of financial position, condensed consolidated statement of profit or loss and consolidated statement of cash flows) which has to be published no later than the ninetieth day following the end of the second quarter of the Guarantor's recent financial year.

(2) The Guarantor has undertaken in the Guarantee not to provide information about the Guarantor or any other factors which may affect the value of the Notes to any Holder in addition to the Periodic Financial Information, without providing such information to all Holders at the same time, unless the relevant Holder is provided with such information because of a legal relationship with the Guarantor which is independent from its status as Holder.**]**

Ende des vorangegangenen Geschäftsjahrs der Garantin veröffentlicht sein muss; und

(ii) den ungeprüften verkürzten Konzernhalbjahreszwischenabschluss der Garantin (bestehend aus Konzernbilanz, vereinfachter Konzern-Gewinn- und Verlustrechnung und Konzern-Kapitalflussrechnung), der jeweils spätestens am neunzigsten Tag nach dem Ende des zweiten Quartals des jeweils laufenden Geschäftsjahrs der Garantin zu veröffentlichen ist.

(2) Die Garantin hat sich in der Garantie dazu verpflichtet, es zu unterlassen, einem Gläubiger über die Regelmäßigen Finanzinformationen hinaus, Informationen über die Garantin oder andere Umstände, die den Wert der Schuldverschreibungen beeinflussen können, zukommen zu lassen, ohne diese Informationen zur gleichen Zeit allen Gläubigern bekannt zu machen, es sei denn, der betreffende Gläubiger erhält solche Informationen aufgrund eines Rechtsverhältnisses mit der Garantin, das von seiner Stellung als Gläubiger der Schuldverschreibungen unabhängig ist.**]**

§ 15
(FINAL PROVISIONS)

(1) Applicable Law.

The Notes are governed by, and construed in accordance with, the laws of the Federal Republic of Germany.

(2) Place of Jurisdiction.

Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the non-exclusive place of jurisdiction for all proceedings arising from matters provided for in these Terms and Conditions will be Frankfurt am Main. The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of Frankfurt am Main being nominated as the forum to hear and determine any proceedings and to settle any disputes and agrees not to claim that any of those courts is not a convenient or appropriate forum.

(3) Place of Performance.

Place of performance will be Frankfurt am Main, Federal Republic of Germany.

(4) Enforcement of Rights.

§ 15
(SCHLUSSBESTIMMUNGEN)

(1) Anzuwendendes Recht.

Form und Inhalt der Schuldverschreibungen bestimmen sich nach dem Recht der Bundesrepublik Deutschland.

(2) Gerichtsstand.

Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist Frankfurt am Main nicht-ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus den in diesen Emissionsbedingungen geregelten Angelegenheiten. Die Emittentin verzichtet unwiderruflich auf jede Einrede, die sie jetzt oder später dagegen geltend machen könnte, dass die zuständigen Gerichte von Frankfurt am Main als Gerichtsstand für die Anhörung und Entscheidung von Verfahren und die Beilegung von Rechtsstreitigkeiten benannt sind, und verpflichtet sich, keine Rüge der Unzuständigkeit gegen eines dieser Gerichte zu erheben.

(3) Erfüllungsort.

Erfüllungsort ist Frankfurt am Main, Bundesrepublik Deutschland.

(4) Geltendmachung von Rechten.

Any Holder may in any proceedings against the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:* or the Guarantor**]** or to which the Holder and the Issuer **[*in the case of Notes issued by ZF Europe Finance B.V., the following applies:* or the Guarantor**]** are parties protect and enforce in his own name his rights arising under the Notes on the basis of:

Jeder Gläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:* oder die Garantin**]** oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin **[*im Fall von Schuldverschreibungen, die von ZF Europe Finance B.V. begeben werden, ist folgendes anwendbar:* oder die Garantin**]** Partei sind, seine Rechte aus den Schuldverschreibungen im eigenen Namen geltend zu machen gegen Vorlage:

(a) a certificate issued by his Custodian (A) stating the full name and address of the Holder, (B) specifying an aggregate principal amount of Notes credited on the date of such statement to such Holder's securities account(s) maintained with his Custodian and (C) confirming that his Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information specified in (A) and (B) and bearing acknowledgements of the Clearing System and the relevant account holder in the Clearing System and

(a) einer Bescheinigung der Depotbank, die (A) den vollen Namen und die volle Anschrift des Gläubigers bezeichnet, (B) den Gesamtnennbetrag von Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung den bei dieser Depotbank bestehenden Depots dieses Gläubigers gutgeschrieben sind und (C) bestätigt, dass die Depotbank dem Clearingsystem und der Hauptzahlstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (A) und (B) enthält und Bestätigungsvermerke des Clearingsystems sowie des betroffenen Kontoinhabers bei dem Clearingsystem trägt sowie

(b) a copy of the Global Note relating to the Notes, certified as being a true copy by a duly authorized officer of the Clearing System or the Principal Paying Agent; or

(b) einer von einem Vertretungsberechtigten des Clearingsystems oder der Hauptzahlstelle bestätigten Ablichtung der Globalurkunde; oder

(c) any other means of evidence permitted in legal proceedings in the country of enforcement.

(c) eines anderen, in Rechtsstreitigkeiten in dem Land der Geltendmachung zulässigen Beweismittels.

Custodian means any bank or other financial institution with which the Holder maintains a securities account in respect of any Notes and having an account maintained with the Clearing System, including the Clearing System.

Depotbank bezeichnet ein Bank- oder sonstiges Finanzinstitut, bei dem der Gläubiger Schuldverschreibungen im Depot verwahren lässt und das ein Konto bei dem Clearingsystem hat, einschließlich des Clearingsystems.

§ 16
(LANGUAGE)

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

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

§ 16
(SPRACHE)

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

Diese Emissionsbedingungen 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.**]**

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

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

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

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

[*If the Notes are publicly offered in whole or in part in Germany or distributed in whole or in part to non-professional investors in Germany with English language Conditions, the following applies:*

Eine deutsche Übersetzung der Emissionsbedingungen wird bei der ZF Friedrichshafen AG, Löwentaler Straße 20, 88046 Friedrichshafen, Bundesrepublik Deutschland zur kostenlosen Ausgabe bereitgehalten.]

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

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

[*Falls die Emissionsbedingungen ausschließlich in deutscher Sprache abgefasst sind, ist folgendes anwendbar:*

Diese Emissionsbedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

7. FORM OF FINAL TERMS

[**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, ***MiFID II***); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a ***Distributor***) should take into consideration the manufacturer['s/s'] target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels. [ZF Friedrichshafen AG is not][11] [None of ZF Friedrichshafen AG and ZF Europe Finance B.V. is][12] a manufacturer or Distributor for the purposes of MiFID II and its supplementing EU legislative acts.][13] [•]

*[**MiFID II PRODUKTÜBERWACHUNGSPFLICHTEN / ZIELMARKT PROFESSIONELLE INVESTOREN UND GEEIGNETE GEGENPARTEIEN** – Die Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen hat – ausschließlich für den Zweck des Produktgenehmigungsverfahrens [des/jedes] Konzepteurs – zu dem Ergebnis geführt, dass: (i) der Zielmarkt für die Schuldverschreibungen ausschließlich geeignete Gegenparteien und professionelle Kunden, jeweils im Sinne der Richtlinie 2014/65/EU (in der jeweils gültigen Fassung, **MiFID II**), umfasst und (ii) alle Kanäle für den Vertrieb der Schuldverschreibungen an geeignete Gegenparteien und professionelle Kunden angemessen sind [Negativen Zielmarkt berücksichtigen]. Jede Person, die in der Folge die Schuldverschreibungen anbietet, verkauft oder empfiehlt (ein **Vertriebsunternehmen**) soll die Beurteilung des Zielmarkts [des/der] Konzepteur[s/e] berücksichtigen; ein Vertriebsunternehmen, welches MiFID II unterliegt, ist indes dafür verantwortlich, seine eigene Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen durchzuführen (entweder durch die Übernahme oder durch die Präzisierung der Zielmarktbestimmung [des/der] Konzepteur[s/e]) und angemessene Vertriebskanäle zu bestimmen. [ZF Friedrichshafen AG ist kein][14] [Weder ZF Friedrichshafen noch ZF Europe Finance B.V. sind ein] [15] Konzepteur oder ein Vertriebsunternehmen für Zwecke der MiFID II und diese ergänzende EU Rechtsakte.][16] [•]*

[**UNITED KINGDOM** (**UK**) **MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the UK Financial Conduct Authority (***FCA*)** Handbook Conduct of Business Sourcebook (***COBS***), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (***UK MiFIR***); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a ***Distributor***) should take into consideration the manufacturer['s/s'] target market assessment; however, a Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the ***UK MiFIR Product Governance Rules***) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels. [ZF Friedrichshafen AG is not][17] [None of ZF Friedrichshafen AG and ZF Europe Finance B.V. is][18] a manufacturer or Distributor for the purposes of the UK MiFIR Product Governance Rules.][19]

*[***VEREINIGTES KÖNIGREICH (VK) MiFIR PRODUKTÜBERWACHUNGSPFLICHTEN / ZIELMARKT PROFESSIONELLE INVESTOREN UND GEEIGNETE GEGENPARTEIEN*** – Die Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen hat – ausschließlich für den Zweck des Produktgenehmigungsverfahrens [des/jedes] Konzepteurs – zu dem Ergebnis geführt, dass: (i) der Zielmarkt für die Schuldverschreibungen ausschließlich geeignete Gegenparteien, im Sinne des Handbuchs der Finanzaufsicht des VK (Financial Conduct Authority - **FCA**) "Conduct of Business Sourcebook" (**COBS**), und professionelle Kunden, im Sinne der*

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11 Include in case ZF Friedrichshafen AG is the issuer of the relevant Notes.

12 Include in case ZF Europe Finance B.V. is the issuer of the relevant Notes.

13 Include legend in case MiFID II target market assessment in respect of the Notes is "Professional Investors and Eligible Counterparties only".

14 *Einfügen, wenn ZF Friedrichshafen AG die Emittentin der betreffenden Schuldverschreibungen ist.*

15 *Einfügen, wenn ZF Europe Finance B.V. die Emittentin der betreffenden Schuldverschreibungen ist.*

16 *Legende einsetzen, wenn MiFID II Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen ergeben hat "Ausschließlich Professionelle Investoren und Geeignete Gegenparteien*".

17 Include in case ZF Friedrichshafen AG is the issuer of the relevant Notes.

18 Include in case ZF Europe Finance B.V. is the issuer of the relevant Notes.

19 Include legend in case UK MiFIR target market assessment in respect of the Notes is "Professional Investors and Eligible Counterparties only".

*Verordnung (EU) Nr. 600/2014, welche durch das EU Austrittsabkommen 2018 Teil des Rechts des VK ist (**VK MiFIR**), umfasst und (ii) alle Kanäle für den Vertrieb der Schuldverschreibungen an geeignete Gegenparteien und professionelle Kunden angemessen sind [Negativen Zielmarkt berücksichtigen]. Jede Person, die in der Folge die Schuldverschreibungen anbietet, verkauft oder empfiehlt (ein **Vertriebsunternehmen**) soll die Beurteilung des Zielmarkts [des/der] Konzepteur[s/e] berücksichtigen; ein VK Vertriebsunternehmen, welches dem Handbuch der FCA "Product Intervention and Product Governance Sourcebook" (**VK MiFIR Bestimmungen zu Produktüberwachungspflichten)** unterliegt, ist indes dafür verantwortlich, seine eigene Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen durchzuführen (entweder durch die Übernahme oder durch die Präzisierung der Zielmarktbestimmung [des/der] Konzepteur[s/e]) und angemessene Vertriebskanäle zu bestimmen. [ZF Friedrichshafen AG ist kein][20] [Weder ZF Friedrichshafen noch ZF Europe Finance B.V. sind ein] [21] Konzepteur oder ein Vertriebsunternehmen für Zwecke der VK MiFIR Bestimmungen zu Produktüberwachungspflichten.]][22]*

[**MIFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPS TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, ***MiFID II***); **EITHER**[23] [and (ii) all channels for distribution of the Notes to eligible counterparties, professional clients and retail clients are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR**[24] [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]] [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a ***Distributor***) should take into consideration the manufacturer['s/s'] target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the Distributor's suitability and appropriateness obligations under MiFID II, as applicable].[25] [ZF Friedrichshafen AG is not][26] [None of ZF Friedrichshafen AG and ZF Europe Finance B.V. is][27] a manufacturer or Distributor for the purposes of MiFID II and its supplementing EU legislative acts.][28] [•]

*[**MiFID II PRODUKTÜBERWACHUNGSPFLICHTEN / ZIELMARKT KLEINANLEGER, PROFESSIONELLE INVESTOREN UND GEEIGNETE GEGENPARTEIEN** - Die Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen hat – ausschließlich für den Zweck des Produktgenehmigungsverfahrens [des/jedes] Konzepteurs – zu dem Ergebnis geführt, dass (i) der Zielmarkt für die Schuldverschreibungen geeignete Gegenparteien, professionelle Kunden und Kleinanleger, jeweils im Sinne der Richtlinie 2014/65/EU (in der jeweils gültigen Fassung, **MiFID II**), umfasst; **ENTWEDER**[29] [und (ii) alle Kanäle für den Vertrieb der Schuldverschreibungen an professionelle Investoren, geeignete Gegenparteien und Kleinanleger angemessen sind, einschließlich Anlageberatung, Portfolio-Management, Verkäufe ohne Beratung und reine Ausführungsdienstleistungen] **ODER**[30] [und (ii) alle Kanäle für den Vertrieb der Schuldverschreibungen an professionelle Investoren und geeignete Gegenparteien angemessen sind die folgenden Kanäle für den Vertrieb der Schuldverschreibungen an Kleinanleger angemessen sind - Anlageberatung[,/ und] Portfolio-Management[,/ und][Verkäufe ohne Beratung][und reine Ausführungsdienstleistungen][, nach Maßgabe der Pflichten des Vertriebsunternehmens unter MiFID II im Hinblick auf Geeignetheit bzw. Angemessenheit]] [Negativen Zielmarkt berücksichtigen]. Jede Person, die in der Folge die Schuldverschreibungen anbietet, verkauft oder empfiehlt (ein*

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20 *Einfügen, wenn ZF Friedrichshafen AG die Emittentin der betreffenden Schuldverschreibungen ist.*

21 *Einfügen, wenn ZF Europe Finance B.V. die Emittentin der betreffenden Schuldverschreibungen ist.*

22 *Legende einsetzen, wenn VK MiFIR Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen ergeben hat "Ausschließlich Professionelle Investoren und Geeignete Gegenparteien".*

23 Include for Notes that are not ESMA complex pursuant to the Guidelines on complex debt instruments and structured deposits (ESMA/2015/1787) (the ***ESMA Guidelines***).

24 Include for Notes that are ESMA complex pursuant to the ESMA Guidelines. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability and appropriateness will be necessary. In addition, if the Notes constitute "complex" products, pure execution services to retail clients are not permitted without the need to make the determination of appropriateness required under article 25(3) of MiFID II.

25 If there are advised sales, a determination of suitability will be necessary.

26 Include in case ZF Friedrichshafen AG is the issuer of the relevant Notes.

27 Include in case ZF Europe Finance B.V. is the issuer of the relevant Notes.

28 Include legend in case MiFID II target market assessment in respect of the Notes is "Retail Investor Target Market."

29 *Einfügen für Schuldverschreibungen, die nicht nach den Leitlinien zu komplexen Schuldtiteln und strukturierten Einlagen (ESMA/2015/1787) (die **ESMA Leitlinien**) ESMA komplex sind.*

30 *Einfügen im Fall von Schuldverschreibungen, die nach den ESMA Leitlinien ESMA komplex sind. Diese Liste muss gegebenenfalls angepasst werden, z.B. wenn Anlageberatung für erforderlich gehalten wird. Im Fall der Anlageberatung ist die Bestimmung der Geeignetheit und Angemessenheit notwendig. Wenn die Schuldverschreibungen "komplexe" Produkte sind, ist außerdem die bloße Ausführung von Kundenaufträgen von Privatanlegern ohne Bestimmung der Angemessenheit nach Artikel 25(3) MiFID II nicht zulässig.*

***Vertriebsunternehmen**) soll die Beurteilung des Zielmarkts [des/der] Konzepteur[s/e] berücksichtigen; ein Vertriebsunternehmen, welches MiFID II unterliegt, ist indes dafür verantwortlich, seine eigene Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen durchzuführen (entweder durch die Übernahme oder durch die Präzisierung der Zielmarktbestimmung [des/der] Konzepteur[s/e]) und angemessene Vertriebskanäle[nach Maßgabe der Pflichten des Vertriebsunternehmens unter MiFID II im Hinblick Geeignetheit bzw. Angemessenheit] [31] , zu bestimmen. [ZF Friedrichshafen AG ist kein] [32] [Weder ZF Friedrichshafen noch ZF Europe Finance B.V. sind ein][33] Konzepteur oder ein Vertriebsunternehmen für Zwecke der MiFID II und diese ergänzende EU Rechtsakte.][34] [•]*

[**UNITED KINGDOM** (***UK***) **MiFIR PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail clients, as defined in point (8) of article 2 of Regulation (EU) No 2017/565 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (***EUWA***), and eligible counterparties, as defined in the UK Financial Conduct Authority (***FCA)*** Handbook Conduct of Business Sourcebook (***COBS***), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK law by virtue of the EUWA (***UK MiFIR***); ***EITHER***[35] [and (ii) all channels for distribution of the Notes are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services] [36]] ***OR*** [37] [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable]] [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a ***Distributor***) should take into consideration the manufacturer['s/s'] target market assessment; however, a Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the ***UK MiFIR Product Governance Rules***) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the Distributor's suitability and appropriateness obligations under COBS, as applicable]. [38] [ZF Friedrichshafen AG is not][39] [None of ZF Friedrichshafen AG and ZF Europe Finance B.V. is][40] a manufacturer or Distributor for the purposes of the UK MiFIR Product Governance Rules.][41] [•]

[***VEREINIGTES KÖNIGREICH (VK) MiFIR PRODUKTÜBERWACHUNGSPFLICHTEN / ZIELMARKT KLEINANLEGER, PROFESSIONELLE INVESTOREN UND GEEIGNETE GEGENPARTEIEN** – Die Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen hat – ausschließlich für den Zweck des Produktgenehmigungsverfahrens [des/jedes] Konzepteurs – zu dem Ergebnis geführt, dass (i) der Zielmarkt für die Schuldverschreibungen Kleinanleger, im Sinne von Artikel 2 Nr. 8 der Verordnung (EU) Nr. 2017/565, welche durch das EU Austrittsabkommen 2018 (**EUWA**) Teil des Rechts des VK ist und geeignete Gegenparteien im Sinne des Handbuchs der Finanzaufsicht des VK (Financial Conduct Authority - **FCA**) "Conduct of Business Sourcebook" (**COBS**), und professionelle Kunden, jeweils im Sinne der Verordnung (EU) Nr. 600/2014, welche durch das EUWA Teil des Rechts des VK ist (**VK MiFIR**), umfasst; **ENTWEDER**[42] [und (ii) alle Kanäle für den Vertrieb der Schuldverschreibungen angemessen sind [einschließlich Anlageberatung, Portfolio-Management,*

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31 *Im Fall von Beratungsverkäufen ist eine Angemessenheitsprüfung erforderlich.*

32 *Einfügen, wenn ZF Friedrichshafen AG die Emittentin der betreffenden Schuldverschreibungen ist.*

33 *Einfügen, wenn ZF Europe Finance B.V. die Emittentin der betreffenden Schuldverschreibungen ist.*

34 *Legende einsetzen, wenn MiFID II Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen ergeben hat "Zielmarkt Kleinanleger".*

35 Include for Notes that are not ESMA complex (in the UK context, as reflected in COBS)

36 This list may not be necessary, especially for Notes that are not ESMA complex (in the UK context, as reflected in COBS) where all channels of distribution may be appropriate. It reflects the list used in the examples in the ESMA Guidelines.

37 Include for certain ESMA complex Notes (in the UK context, as reflected in COBS). This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness.

38 If the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness. If there are advised sales, a determination of suitability will be necessary.

39 Include in case ZF Friedrichshafen AG is the issuer of the relevant Notes.

40 Include in case ZF Europe Finance B.V. is the issuer of the relevant Notes.

41 Include legend in case MiFID II target market assessment in respect of the Notes is "Retail Investor Target Market."

42 *Einfügen für Schuldverschreibungen, die nicht ESMA komplex sind (im VK-Kontext, wie in COBS reflektiert).*

Verkäufe ohne Beratung und reine Ausführungsdienstleistungen][43]*] **ODER***[44] *[(ii) alle Kanäle für den Vertrieb der Schuldverschreibungen an geeignete Gegenparteien und professionelle Kunden angemessen sind und (iii) die folgenden Kanäle für den Vertrieb der Schuldverschreibungen an Kleinanleger angemessen sind – Anlageberatung[,][und] Portfolio-Management[,/ und][Verkäufe ohne Beratung][und reine Ausführungsdienstleistungen][nach Maßgabe der Pflichten des Vertriebsunternehmens unter COBS im Hinblick auf Geeignetheit bzw. Angemessenheit]] [Negativen Zielmarkt berücksichtigen]. Jede Person, die in der Folge die Schuldverschreibungen anbietet, verkauft oder empfiehlt (ein **Vertriebsunternehmen**) soll die Beurteilung des Zielmarkts [des/der] Konzepteur[s/e] berücksichtigen; ein Vertriebsunternehmen, welches dem FCA Handbook Product Intervention and Product Governance Sourcebook (die **VK MiFIR Bestimmungen zu Produktüberwachungspflichten**) unterliegt, ist indes dafür verantwortlich, seine eigene Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen durchzuführen (entweder durch die Übernahme oder durch die Präzisierung der Zielmarktbestimmung [des/der] Konzepteur[s/e]) und angemessene Vertriebskanäle [nach Maßgabe der Pflichten des Vertriebsunternehmens unter COBS im Hinblick Geeignetheit bzw. Angemessenheit]*[45]*, zu bestimmen.]] [ZF Friedrichshafen AG ist kein]*[46] *[Weder ZF Friedrichshafen noch ZF Europe Finance B.V. sind ein]* [47] *Konzepteur oder ein Vertriebsunternehmen für Zwecke der VK MiFIR Bestimmungen zu Produktüberwachungspflichten.]*]*[48]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (***EEA***). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (as amended, ***MiFID II***); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended or superseded, the ***PRIIPs Regulation***) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]*[49]

*[**VERBOT DES VERKAUFS AN KLEINANLEGER IM EUROPÄISCHEN WIRTSCHAFTSRAUM** – Die Schuldverschreibungen sind nicht zum Angebot, zum Verkauf oder zur sonstigen Zurverfügungstellung an Kleinanleger im Europäischen Wirtschaftsraum (**EWR**) bestimmt und sollten Kleinanlegern im EWR nicht angeboten, nicht an diese verkauft und diesen auch nicht in sonstiger Weise zur Verfügung gestellt werden. Für die Zwecke dieser Bestimmung bezeichnet der Begriff Kleinanleger eine Person, die eines (oder mehrere) der folgenden Kriterien erfüllt: (i) sie ist ein Kleinanleger im Sinne von Artikel 4 Abs. 1 Nr. 11 der Richtlinie 2014/65/EU (in ihrer jeweils gültigen Fassung, **MiFID II**); (ii) sie ist ein Kunde im Sinne der Richtlinie 2016/97/EU (wie ergänzt oder ersetzt), soweit dieser Kunde nicht als professioneller Kunde im Sinne von Artikel 4 Abs. 1 Nr. 10 MiFID II gilt. Entsprechend wurde kein nach der Verordnung (EU) Nr. 1286/2014 (in ihrer jeweils gültigen oder ersetzten Fassung, die **PRIIPs-Verordnung**) erforderliches Basisinformationsblatt für das Angebot oder den Verkauf oder die sonstige Zurverfügungstellung der Schuldverschreibungen an Kleinanleger im EWR erstellt; daher kann das Angebot oder der Verkauf oder die sonstige Zurverfügungstellung der Schuldverschreibungen an Kleinanleger im EWR nach der PRIIPs-Verordnung rechtswidrig sein.]*[50]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (***UK***). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of article 2 of Regulation (EU) No 2017/565 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (***EUWA***); or (ii) a customer within the meaning of the

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[43] *Diese Liste ist möglicherweise nicht erforderlich, insbesondere für Schuldverschreibungen, die nicht ESMA komplex sind (im VK-Kontext, wie in COBS reflektiert) und bei denen alle Kanäle für den Vertrieb angemessen sein können. Sie spiegelt die Liste wider, die in den Beispielen der ESMA Leitlinien verwendet wird.*

[44] *Einfügen für bestimmte ESMA komplexe Schuldverschreibungen (im VK-Kontext, wie in COBS definiert). Diese Liste muss gegebenenfalls angepasst werden, z.B. wenn Anlageberatung für erforderlich gehalten wird. Im Fall der Anlageberatung ist die Bestimmung der Geeignetheit und Angemessenheit notwendig. Wenn die Schuldverschreibungen "komplexe" Produkte sind, ist außerdem die bloße Ausführung von Kundenaufträgen von Privatanlegern ohne Bestimmung der Angemessenheit nicht zulässig.*

[45] *Wenn die Schuldverschreibungen "komplexe" Produkte sind, ist die bloße Ausführung von Kundenaufträgen von Privatanlegern ohne Bestimmung der Angemessenheit nicht zulässig. Im Fall der Anlageberatung ist die Bestimmung der Geeignetheit und Angemessenheit notwendig.*

[46] *Einfügen, wenn ZF Friedrichshafen AG die Emittentin der betreffenden Schuldverschreibungen ist.*

[47] *Einfügen, wenn ZF Europe Finance B.V. die Emittentin der betreffenden Schuldverschreibungen ist.*

[48] *Legende einsetzen, wenn VK MIFIR Zielmarktbestimmung im Hinblick auf die Schuldverschreibungen ergeben hat "Zielmarkt Kleinanleger".*

[49] To be included in case "Prohibition of Sales to EEA Retail Investors" is selected to be "applicable" in Part II of the Final Terms.

[50] *Legende einzufügen, sofern in Teil II der Endgültigen Bedingungen "Verbot des Verkaufs an Kleinanleger im Europäischen Wirtschaftsraum " für "anwendbar" erklärt wird.*

provisions of the Financial Services and Markets Act 2000, as amended (***FSMA***) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK law by virtue of the EUWA (the ***UK PRIIPs Regulation***) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.**]**[51]

[VERBOT DES VERKAUFS AN KLEINANLEGER IM VEREINIGTEN KÖNIGREICH *– Die Schuldverschreibungen sind nicht zum Angebot, zum Verkauf oder zur sonstigen Zurverfügungstellung an Kleinanleger im Vereinigten Königreich (**VK**) bestimmt und sollten Kleinanlegern im VK nicht angeboten, nicht an diese verkauft und diesen auch nicht in sonstiger Weise zur Verfügung gestellt werden. Für die Zwecke dieser Bestimmung bezeichnet der Begriff Kleinanleger eine Person, die eines (oder mehrere) der folgenden Kriterien erfüllt: (i) sie ist ein Kleinanleger im Sinne von Artikel 2 Nr. 8 der Verordnung (EU) Nr. 2017/565, welche durch das EU Austrittsabkommen 2018 (**EUWA**) Teil des Rechts des VK ist; oder (ii) sie ist ein Kunde im Sinne der Regelungen des Financial Services and Markets Act 2000, in seiner jeweils gültigen Fassung (**FSMA**) und aller Vorschriften und Verordnungen, die im Rahmen des FSMA zur Umsetzung der Richtlinie (EU) 2016/97 erlassen wurden, soweit dieser Kunde nicht als professioneller Kunde im Sinne von Artikel 2 Abs. 1 Nr. 8 der Verordnung (EU) Nr. 600/2014 gilt, welche durch EUWA Teil des Rechts des VK ist. Entsprechend wurde kein nach der Verordnung (EU) Nr. 1286/2014, welche durch EUWA Teil des Rechts des VK ist (die **VK PRIIPS-Verordnung**), erforderliches Basisinformationsblatt für das Angebot oder den Verkauf oder die sonstige Zurverfügungstellung der Schuldverschreibungen an Kleinanleger im VK erstellt; daher kann das Angebot oder der Verkauf oder die sonstige Zurverfügungstellung der Schuldverschreibungen an Kleinanleger im VK nach der VK PRIIPs-Verordnung rechtswidrig sein.**]**[52]

[Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001, as modified or amended from time to time (the ***SFA***), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).**]**

[Produktklassifizierung nach dem Wertpapier- und Futures-Gesetz von Singapur *– Nur für Zwecke ihrer Verpflichtungen nach den Abschnitten 309B(1)(a) und 309B(1)(c) des Wertpapier- und Futures-Gesetzes 2001 (Securities and Futures Act 2001), in der jeweils geänderten oder ergänzten Fassung (**SFA**) hat die Emittentin festgelegt und benachrichtigt hiermit alle relevanten Personen (wie in Abschnitt 309A des SFA definiert), dass es sich bei den Schuldverschreibungen um "bestimmte Kapitalmarktprodukte" ("prescribed capital market products") (wie in den Verordnungen über Wertpapiere und Futures (Kapitalmarktprodukte) 2018 (Securities and Futures (Capital Markets Products) Regulations 2018) definiert), und um "ausgeschlossene Investment-Produkte" ("Excluded Investment Products") (wie in der MAS-Mitteilung SFA 04-N12: Notice on the Sale of Investment Products und der MAS Notice FAA-N16: Notice on Recommendation on Investment Products definiert) handelt.**]**

[SUSTAINABILITY PREFERENCES WITHIN THE MEANING OF ARTICLE 2 POINT (7) DELEGATED REGULATION (EU) 2017/565, AS AMENDED

[An amount equal to the proceeds of the issuance of the Notes shall be invested to a minimum proportion of [*include relevant percentage*] in

[[*include relevant environmental objective(s)*] as defined by Regulation (EU) 2020/852 (***EU Taxonomy***).]

[[*include relevant sustainable investment(s)*] as defined by Regulation (EU) 2019/2088 (***SFDR***).]]

[The Notes consider principal adverse impacts on sustainability factors[, inter alia, [insert considered sustainability factor(s)]].]

[The Notes have a focus on [environmental][social][governance] criteria [or] [a combination of [include combined criteria]]. The Notes are being issued in accordance with the [ICMA [Green][Social] Bond Principles][insert other applied reputable standard].] [●]

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51 To be included in case "Prohibition of Sales to UK Retail Investors" is selected to be "applicable" in Part II of the Final Terms.

52 *Legende einzufügen, sofern in Teil II der Endgültigen Bedingungen "Verbot des Verkaufs an Kleinanleger im Vereinigten Königreich" für "anwendbar" erklärt wird.*

[NACHHALTIGKEITSPRÄFERENZEN IM SINNE VON ARTIKEL 2 NUMMER 7 DER DELEGIERTEN VERORDNUNG (EU) 2017/565, IN IHRER JEWEILS GÜLTIGEN FASSUNG

[Ein Betrag in Höhe des Emissionserlöses der Schuldverschreibungen soll zu einem Mindestanteil von [relevanten Prozentsatz angeben] in

*[[relevante(s) Umweltziel(e) angeben] im Sinne der Verordnung (EU) 2020/852 (**EU-Taxonomie**) investiert werden.]]*

*[[relevante(s) nachhaltige(s) Investment(s) einfügen] im Sinne der Verordnung (EU) 2019/2088 (**SFDR**) investiert werden.]]*

[Die Schuldverschreibungen berücksichtigen wesentliche negative Auswirkungen auf Nachhaltigkeitsfaktoren[, unter anderem, [berücksichtigte(n) Nachhaltigkeitsfaktor(en) einfügen]].]

[Die Schuldverschreibungen haben einen Schwerpunkt auf [ökologische][soziale][Governance] Kriterien [oder] [eine Kombination von [kombinierte Kriterien einfügen]]. Die Schuldverschreibungen werden in Übereinstimmung mit [den ICMA [Green][Social] Bond Principles][anderen angewandten anerkannten Standard einfügen] begeben.] [●]

[In case of Notes admitted to trading on the Luxembourg Stock Exchange, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*).] [In the case of Notes listed on any other stock exchange, the Final Terms will be displayed on the website of ZF (*www.zf.com*) under the section "Investor Relations" – "Capital Market Instruments & Rating".]

[**Date**]
*[**Datum**]*

FINAL TERMS
ENDGÜLTIGE BEDINGUNGEN

[ZF Friedrichshafen AG] [ZF Europe Finance B.V.]
Legal Entity Identifier (LEI): [529900CAYOWB8YIG7X25] [549300RI533US2G6G542]

[Title of relevant Series of Notes]
[*Bezeichnung der betreffenden Serie der Schuldverschreibung*]

Series: [●], Tranche [●]
Serien: [●], Tranche [●]

issued pursuant to the
begeben aufgrund des

EUR 7,500,000,000
Debt Issuance Programme

Dated May 8, 2025
vom 8. Mai 2025

of
der

ZF Friedrichshafen AG

and
und

ZF Europe Finance B.V.

[guaranteed by ZF Friedrichshafen AG

***garantiert durch die ZF Friedrichshafen AG*]**

Issue Price: [ ]%.
Ausgabepreis: [ ]%

Issue Date: [ ][53]
Begebungstag: [ ]

These are the Final Terms of an issue of Notes under the EUR 7,500,000,000 Debt Issuance Programme of ZF Friedrichshafen AG and ZF Europe Finance B.V. (the ***Programme***). These Final Terms have been prepared for the purpose of article 8 of Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of June 14, 2017 (as amended, the ***Prospectus Regulation***) and must be read in conjunction with the Prospectus dated May 8, 2025 [as supplemented by [a] Supplement[s] dated [●]] (the ***Prospectus***). Full information on ZF Friedrichshafen AG [and ZF Europe Finance B.V.] and the offer of the Notes is only available on the basis of the combination of the Prospectus and these Final Terms. The Prospectus and any supplement thereto are available for viewing in electronic form on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*). and copies may be obtained free of charge at the specified office of the Fiscal Agent.

*Diese Endgültigen Bedingungen enthalten Angaben zur Emission von Schuldverschreibungen unter dem EUR 7.500.000.000 Debt Issuance Programme der ZF Friedrichshafen AG und ZF Europe Finance B.V. (das **Programm**). Diese Endgültigen Bedingungen wurden für die Zwecke des Artikel 8 der Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates vom 14. Juni 2017 (in ihrer jeweils geltenden Fassung, die **Prospektverordnung**) abgefasst und sind in Verbindung mit dem Basisprospekt vom 8. Mai 2025 [,*

[53] The Issue is the date of payment and settlement of the Notes. In the case of free delivery, the Issue Date is the delivery date.
Der Tag der Begebung ist der Tag, an dem die Schuldverschreibungen begeben und bezahlt werden. Bei freier Lieferung ist der Tag der Begebung der Tag der Lieferung.

*ergänzt durch [den Nachtrag][die Nachträge] vom [●]] (der **Prospekt**) zu lesen. Vollständige Informationen über die ZF Friedrichshafen AG [und die ZF Europe Finance B.V.] und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Prospekt zusammengenommen werden. Der Prospekt sowie jeder Nachtrag können in elektronischer Form auf der Internetseite der Luxemburger Börse (www.LuxSE.com) eingesehen werden. Kostenlose Kopien sind erhältlich bei der angegebenen Geschäftsstelle der Emissionsstelle.*

Part I.: TERMS AND CONDITIONS
Teil I: EMISSIONSBEDINGUNGEN

[**A. In the case the options applicable to the relevant Tranche of Notes are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I[A][54] or Option II, including certain further options contained therein, respectively, and completing the relevant placeholders, insert:**[55]

A. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen durch Wiederholung der betreffenden im Prospekt als Option I[A] [56] oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt und die betreffenden Leerstellen vervollständigt werden, einfügen:

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

*Die für die Schuldverschreibungen geltenden Emissionsbedingungen (die **Bedingungen**) [sowie die [deutschsprachige][englischsprachige] Übersetzung] sind wie nachfolgend aufgeführt.*

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

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

[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]

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

[B. In the case the options applicable to the relevant Tranche of Notes are to be determined by referring to the relevant provisions set forth in the Prospectus as Option I[A][57] or Option II, including certain further options contained therein, respectively, insert:

B. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen, die durch Verweisung auf die betreffenden im Prospekt als Option I[A] [58] oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt werden, einfügen:

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to Notes with [fixed] [floating] interest rates (the ***Terms and Conditions***) set forth in the Prospectus as [Option I[A]] [Option II]. Capitalized terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

*Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Emissionsbedingungen, der auf Schuldverschreibungen mit [fester] [variabler] Verzinsung Anwendung findet (die **Emissionsbedingungen**), zu lesen, der als [Option I[A]] [Option II] im Prospekt enthalten ist. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, dieselbe Bedeutung,*

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54 In case of an increase of an issue of Notes which were originally issued prior to the date of this Prospectus, the Terms and Conditions of the Tranches have to be identical in all respects, but may have different issue dates, interest commencement dates, issue prices and dates for first interest payments.

55 To be determined in consultation with the Issuer.
In Abstimmung mit der Emittentin festzulegen.

56 *Im Fall einer Aufstockung einer Emission von Schuldverschreibungen, die ursprünglich vor dem Datum dieses Prospekts begeben wurden, müssen die Emissionsbedingungen der Tranchen in jeder Hinsicht identisch sein, können aber unterschiedliche Begebungstage, Verzinsungsbeginne, Ausgabepreise und erste Zinszahlungstage haben.*

57 In case of an increase of an issue of Notes which were originally issued prior to the date of this Prospectus, the Terms and Conditions of the Tranches have to be identical in all respects, but may have different issue dates, interest commencement dates, issue prices and dates for first interest payments.

58 *Im Fall einer Aufstockung einer Emission von Schuldverschreibungen, die ursprünglich vor dem Datum dieses Prospekts begeben wurden, müssen die Emissionsbedingungen der Tranchen in jeder Hinsicht identisch sein, können aber unterschiedliche Begebungstage, Verzinsungsbeginne, Ausgabepreise und erste Zinszahlungstage haben.*

wenn sie in diesen Endgültigen Bedingungen verwendet werden.

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

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

The blanks in the provisions of the Terms and Conditions, which are applicable to the Notes, shall be deemed to be completed with 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 not completed or which are deleted shall be deemed to be deleted from the Terms and Conditions applicable to the Notes (the ***Conditions***).

*Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen der Emissionsbedingungen 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 Emissionsbedingungen, 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 Emissionsbedingungen (die **Bedingungen**) gestrichen.*

CURRENCY, DENOMINATION, FORM (§ 1)
WÄHRUNG, STÜCKELUNG, FORM (§ 1)

Currency and Denomination
Währung und Stückelung

Specified Currency	[ ]
Festgelegte Währung	*[ ]*
Aggregate Principal Amount	[ ]
Gesamtnennbetrag	*[ ]*
Aggregate Principal Amount in words	[ ]
Gesamtnennbetrag in Worten	*[ ]*
Specified Denomination	[ ]
Festgelegte Stückelung	*[ ]*

☐ **Permanent Global Note**
Dauerglobalurkunde

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

Clearing System
Clearingsystem

☐ Clearstream Banking AG, Frankfurt am Main

☐ Clearstream Banking SA, Luxembourg

☐ Euroclear Bank SA/NV

Global Note[59]

Globalurkunde

☐ Classical Global Note

☐ New Global Note

[59] Complete for Notes kept in custody on behalf of the ICSDs.
Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, ausfüllen.

INTEREST (§ 3)
ZINSEN (§ 3)

☐ **Fixed Rate Notes (Option I[A])**[60]
Festverzinsliche Schuldverschreibungen (Option I[A])

Rate of Interest and Interest Payment Dates
Zinssatz und Zinszahlungstage

Rate of Interest *Zinssatz*	[ ]% per annum *[ ]% per annum*
Interest Commencement Date *Verzinsungsbeginn*	[ ]
Interest Payment Date(s) *Zinszahlungstag(e)*	[ ]
First Interest Payment Date *Erster Zinszahlungstag*	[ ]
Initial Broken Amount(s) (per Specified Denomination) *Anfängliche(r) Bruchteilzinsbetrag(-beträge)* *(für jede festgelegte Stückelung)*	[ ]
Interest Payment Date preceding the Maturity Date *Zinszahlungstag, der dem Fälligkeitstag vorangeht*	[ ]
Final Broken Amount(s) (per Specified Denomination) *Abschließende(r) Bruchteilzinsbetrag(-beträge)* *(für jede festgelegte Stückelung)*	[ ]
Number of regular Interest Payment Dates per calendar year *Anzahl der regulären Zinszahlungstage im Kalenderjahr*	[ ]
Deemed Interest Payment Date(s) *Fiktive(r) Zinszahlungstag(e)*	[ ]

☐ **Floating Rate Notes (Option II)**
Variabel verzinsliche Schuldverschreibungen (Option II)

Interest Payment Dates
Zinszahlungstage

Interest Commencement Date *Verzinsungsbeginn*	[ ]
Specified Interest Payment Dates *Festgelegte Zinszahlungstage*	[ ]
Specified Interest Period(s) *Festgelegte Zinsperiode(n)*	[ ] [weeks][months] *[ ] [Wochen][Monate]*

[60] Insert "A" in the case of an increase of an issue of Notes which were originally issued prior to the date of this Prospectus. *"A" einfügen im Fall der Aufstockung einer Emission von Schuldverschreibungen, die ursprünglich vor dem Datum dieses Prospekts begeben wurden.*

Business Day Convention
Geschäftstagskonvention

☐ Modified Following Business Day Convention
Modifizierte folgende Geschäftstag-Konvention

☐ Floating Rate Note (FRN) Convention (specify period) [ ] [months]
Floating Rate Note (FRN)-Konvention (Zeitraum angeben) *[ ] [Monate]*

☐ Following Business Day Convention
Folgende Geschäftstag-Konvention

☐ Preceding Business Day Convention
Vorhergehende Geschäftstag-Konvention

Rate of Interest
Zinssatz

☐ EURIBOR

Interest Determination Date [first] [second] [relevant financial centre(s)] Business Day[prior to commencement] of the relevant Interest Period

Zinsfestlegungstag *[ersten] [zweiten] [relevante(s) Finanzzentrum(en)] Geschäftstag [vor Beginn] der jeweiligen Zinsperiode*

[relevant financial centre(s)] Business Day [relevant financial centre(s)]

[relevante(s) Finanzzentrum(en)]-Geschäftstag *[relevante(s) Finanzzentrum(en)]*

Offered Quotation [specify details]
Angebotssatz [*Einzelheiten einfügen*]

Margin [ ]% per annum
Marge *[ ]% per annum*

☐ plus
plus

☐ minus
minus

Minimum and Maximum Rate of Interest
Mindest- und Höchstzinssatz

☐ Minimum Rate of Interest [ ]% per annum
Mindestzinssatz *[ ]% per annum*

☐ Maximum Rate of Interest [ ]% per annum
Höchstzinssatz *[ ]% per annum*

Day Count Fraction[61]
Zinstagequotient

☐ Actual/365 or Actual/Actual (ISDA)
☐ Actual/Actual (ICMA)
☐ Actual/365 (Fixed)
☐ Actual/360
☐ 30/360 or 360/360 (Bond Basis)
☐ 30E/360 (Eurobond Basis)

[61] Complete for all Notes.
Für alle Schuldverschreibungen ausfüllen.

PAYMENTS (§ 4)
ZAHLUNGEN (§ 4)

Payment Business Day
Zahltag

☐ Relevant Financial Centers (specify all) [ ]
Relevante Finanzzentren (alle angeben)

☐ T2
T2

REDEMPTION (§ 5)
RÜCKZAHLUNG (§ 5)

Redemption at Maturity
Rückzahlung bei Endfälligkeit

Maturity Date[62] [ ]
Fälligkeitstag

Redemption Month[63] [ ]
Rückzahlungsmonat

Early Redemption
Vorzeitige Rückzahlung

Early Redemption at the Option of the Issuer for reason of Minimal Outstanding Aggregate Principal Amount [Yes/No]

Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringem ausstehendem Gesamtnennbetrag *[Ja/Nein]*

Early Redemption at the Option of the Issuer upon occurrence of a Benchmark Event[64] [Yes/No]

Vorzeitige Rückzahlung nach Wahl der Emittentin bei Eintritt eines Benchmark-Ereignisses *[Ja/Nein]*

Early Redemption at the Option of the Holders in case of a Put Event following a Change of Control [Yes/No]

Vorzeitige Rückzahlung nach Wahl der Gläubiger bei Vorliegen eines Rückzahlungsereignisses nach Eintritt eines Kontrollwechsels *[Ja/Nein]*

Early Redemption at the Option of the Issuer (Call Redemption Amount) [Yes/No]

Vorzeitige Rückzahlung nach Wahl der Emittentin (Wahl-Rückzahlungsbetrag (Call)) *[Ja/Nein]*

☐ Call Redemption Period(s)
Wahlrückzahlungszeitraum/räume (Call)

Call Redemption Period(s) [ ]
Wahlrückzahlungszeitraum/räume (Call)

Call Redemption Amount(s) [ ]
Wahlrückzahlungsbetrag(beträge) (Call)

☐ Make-Whole [65]
Make-Whole

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[62] Complete for Fixed Rate Notes.
Für festverzinsliche Schuldverschreibungen auszufüllen.

[63] Complete for Floating Rate Notes.
Für variabel verzinsliche Schuldverschreibungen auszufüllen.

[64] Complete for Floating Rate Notes only.
Nur für variabel verzinsliche Schuldverschreibungen auszufüllen.

[65] Complete for Fixed Rate Notes only.
Nur für festverzinsliche Schuldverschreibungen auszufüllen.

Other relevant date[66] (if yes, specify details)	[Yes/No] [ ]
Anderer maßgeblicher Tag (*falls ja, Einzelheiten einfügen*)	*[Ja/Nein]* [ ]
Margin	[margin]%
Marge	[Marge]%
Benchmark Yield	[Bundesbank Reference Price (*Bundesbank-Referenzpreis*)] [other relevant reference price] [noon Frankfurt time] [other relevant time]
Benchmark-Rendite	*[Bundesbank-Referenzpreis] [anderer maßgeblicher Referenzpreis]* *[12.00 Uhr (Frankfurter Zeit)] [andere maßgebliche Uhrzeit]*
Screen Page	[QR (using the pricing source "FRNK")] [other relevant screen page]
Bildschirmseite	*[QR (unter Verwendung der Preisquelle "FRNK")] [andere maßgebliche Bildschirmseite]*
Benchmark Security *Benchmarkanleihe*	[ ]
ISIN of the Benchmark Security *ISIN der Benchmarkanleihe*	[ ]
Maturity *Fälligkeitstermin*	[ ]
Early Redemption at the Option of the Issuer upon occurrence of a Transaction Trigger Event	[Yes/No]
Vorzeitige Rückzahlung nach Wahl der Emittentin bei Eintritt eines Transaktions-Ereignisses	*[Ja/Nein]*
Event Redemption Amount *Ereignisrückzahlungsbetrag*	[ ]
Transaction *Transaktion*	[ ]
Transaction Trigger Cut-off Date *Transaktions-Stichtag*	[ ]
Early Redemption at the Option of a Holder	**[**Yes/No**]**
Vorzeitige Rückzahlung nach Wahl des Gläubigers	***[****Ja/Nein****]***
Put Redemption Date(s) *Wahlrückzahlungstag(e) (Put)*	[ ]
Put Redemption Amount(s) *Wahlrückzahlungsbetrag(beträge) (Put)*	[ ]
Minimum Notice[67] *Mindestkündigungsfrist*	[ ] days *[ ] Tage*
Maximum Notice (not more than 60 days)	[ ] days

[66] Complete for Fixed Rate Notes providing for Early Redemption at the Option of the Issuer (Call Redemption Amount) only.
Nur für festverzinsliche Schuldverschreibungen auszufüllen, die Vorzeitige Rückzahlung nach Wahl der Emittentin (Wahl-Rückzahlungsbetrag (Call)) vorsehen.

[67] Euroclear and Clearstream Banking S.A. require a minimum notice period of fifteen days.
Eurcolear und Clearstream Banking S.A. verlangen eine Mindestkündigungsfrist von fünfzehn Tagen.

Höchstkündigungsfrist (nicht mehr als 60 Tage) *[ ] Tage*

[PAYING AGENT, FISCAL AGENT, CALCULATION AGENT (§ 6)
ZAHLSTELLE, EMISSIONSSTELLE, BERECHNUNGSSTELLE (§ 6)

Calculation Agent[68] [ ]

Berechnungsstelle *[ ]*

☐ Fiscal Agent acting as Calculation Agent
Emissionsstelle handelnd als Berechnungsstelle]

☐ Conv-Ex Advisors Limited
Conv-Ex Advisors Limited

☐ Other (name and address) [ ]
Andere (Name und Adresse) *[ ]*

Stock Exchange (name and location) [ ]

Börse (Name und Sitz) *[ ]*

NOTICES (§ 12)
MITTEILUNGEN (§ 12)

Place and medium of publication
Ort und Medium der Bekanntmachung

☐ Website of the Luxembourg Stock Exchange (*www.LuxSE.com*)
Internetseite der Luxemburger Börse (www.LuxSE.com)

☐ Website of other stock exchange with respect to which the Issuer initiated the listing of the Notes
Internetseite der Börse, an der die Emittentin das Listing der Notes veranlasst hat

☐ Clearing System
Clearingsystem

AMENDMENTS OF THE TERMS AND CONDITIONS BY RESOLUTIONS OF HOLDERS, JOINT REPRESENTATIVE (§ 13) **[Yes/No]**

ÄNDERUNGEN DER EMISSIONSBEDINGUNGEN DURCH BESCHLUSS DER GLÄUBIGER, GEMEINSAMER VERTRETER (§ 13) ***[Ja/Nein]***

☐ Appointment of a Holders' Representative by resolution passed by Holders and not in the Terms and Conditions
Bestellung eines gemeinsamen Vertreters der Gläubiger durch Beschluss der Gläubiger und nicht in den Emissionsbedingungen

☐ Appointment of a Holders' Representative in the Terms and Conditions
Bestellung eines gemeinsamen Vertreters der Gläubiger in den Emissionsbedingungen

Name and address of the Holders' Representative (specify details)
Name und Anschrift des gemeinsamen Vertreters (Einzelheiten einfügen)

[68] Applicable only for Fixed Rate Notes that are subject to Early Redemption at the Option of the Issuer with payment of a Make-Whole Amount and for Floating Rate Notes.
Nur anwendbar bei Festverzinslichen Schuldverschreibungen, falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zum Make-Whole Betrag zurückzuzahlen, sowie bei variabel verzinslichen Schuldverschreibungen.

LANGUAGE (§ 15)
SPRACHE (§ 15)

Language of Conditions[69]
Sprache der Bedingungen

☐ German and English (German controlling)
Deutsch und Englisch (deutscher Text maßgeblich)

☐ English and German (English controlling)
Englisch und Deutsch (englischer Text maßgeblich)

☐ German only
ausschließlich Deutsch

☐ English only
ausschließlich Englisch]

[69] To be determined in consultation with the Issuer.
In Abstimmung mit der Emittentin festzulegen.

Part II.: ADDITIONAL INFORMATION[70]
Teil II ZUSÄTZLICHE INFORMATIONEN

A. Essential information
Grundlegende Angaben

Interests of Natural and Legal Persons involved in the Issue/Offer	[None] [specify details]
Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind	*[Keine] [Einzelheiten einfügen]*
Use of proceeds[71]	[specify details]
Zweckbestimmung der Erlöse	*[Einzelheiten einfügen]*
Estimated net proceeds[72] *Geschätzter Nettobetrag der Erträge*	[ ]

Eurosystem eligibility
EZB-Fähigkeit

☐ Intended to be held in a manner which would allow Eurosystem eligibility *Soll in EZB-fähiger Weise gehalten werden*	[Yes/No] [Not applicable (CGN)] *[Ja/Nein] [Nicht anwendbar (CGN)]*

[Note that the designation "Yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and 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 the ECB being satisfied that Eurosystem eligibility criteria have been met.] [73]

[Es ist zu beachten, dass die Bestimmung "Ja" hier lediglich bedeutet, dass die Schuldverschreibungen nach Begebung bei einem der ICSDs als gemeinsamer Verwahrer hinterlegt werden sollen, und es bedeutet nicht notwendigerweise, dass die Schuldverschreibungen als geeignete Sicherheit im Sinne der Währungspolitik des Eurosystems und der taggleichen Überziehungen (intraday credit operations) des Eurosystem entweder nach Begebung oder zu einem Zeitpunkt während ihrer Existenz anerkannt werden. Eine solche Anerkennung wird vom Urteil der EZB abhängen, dass die Eurosystemfähigkeitskriterien erfüllt werden.] [74]

[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 recognized as eligible collateral for Eurosystem monetary policy and intraday credit operations by the

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70 There is no obligation to complete Part II. of the Final Terms in its entirety provided that such Notes will not be listed on any regulated market within the European Economic Area or the United Kingdom. To be completed in consultation with the Issuer.
Es besteht keine Verpflichtung, Teil II. der Endgültigen Bedingungen, sofern diese Schuldverschreibungen nicht an einem geregelten Markt innerhalb des Europäischen Wirtschaftsraums oder dem Vereinigten Königreich zum Handel zugelassen werden. In Absprache mit der Emittentin auszufüllen.

71 See "Use of Proceeds" wording in the Prospectus. If reasons for the offer are different from general corporate purposes of ZF, include those reasons here.
Siehe Abschnitt "Use of Proceeds" im Prospekt. Sofern die Gründe für das Angebot nicht in allgemeinen Unternehmenszwecken von ZF bestehen, sind die Gründe hier anzugeben.

72 If proceeds are intended for more than one use they will need to be split out and presented in order of priority.
Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, sind diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.

73 Include explanation in case of an NGN deposited with one of the ICSDs as common safekeeper.

74 *Erläuterung einfügen im Fall einer durch einen der ICSDs als common safekeeper verwahrten NGN.*

Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][75]

[Während die Bestimmung am Tag dieser Endgültigen Bedingungen mit "Nein" festgelegt wurde, können die Schuldverschreibungen, sollten die Eurosystemfähigkeitskriterien für die Zukunft derart geändert werden, dass die Schuldverschreibungen fähig sind diese einzuhalten, dann bei einem der ICSDs als gemeinsamer Verwahrer hinterlegt werden. Es ist zu beachten, dass die Schuldverschreibungen als geeignete Sicherheit im Sinne der Währungspolitik des Eurosystems und der taggleichen Überziehungen (intraday credit operations) des Eurosystem entweder nach Begebung oder zu einem Zeitpunkt während ihrer Existenz anerkannt werden. Eine solche Anerkennung wird vom Urteil der EZB abhängen, dass die Eurosystemfähigkeitskriterien erfüllt werden.][76]

[Note that the designation "Yes" simply means that the Notes are intended upon issue to be deposited with Clearstream Banking AG, Frankfurt 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 the ECB being satisfied that Eurosystem eligibility criteria have been met.][77]

[Es ist zu beachten, dass die Bestimmung "Ja" hier lediglich bedeutet, dass die Schuldverschreibungen nach Begebung bei Clearstream Banking AG, Frankfurt hinterlegt werden sollen, und es bedeutet nicht notwendigerweise, dass die Schuldverschreibungen als geeignete Sicherheit im Sinne der Währungspolitik des Eurosystems und der taggleichen Überziehungen (intraday credit operations) des Eurosystem entweder nach Begebung oder zu einem Zeitpunkt während ihrer Existenz anerkannt werden. Eine solche Anerkennung wird vom Urteil der EZB abhängen, dass die Eurosystemfähigkeitskriterien erfüllt werden.][78]

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75 Include explanation in case of an NGN not deposited with one of the ICSDs.

76 *Erläuterung einfügen im Fall einer nicht durch einen der ICSDs verwahrten NGN.*

77 Include explanation in case of Notes deposited with Clearstream Banking AG, Frankfurt.

78 *Erläuterung einfügen im Fall der Verwahrung der Schuldverschreibungen durch Clearstream Banking AG, Frankfurt.*

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

Securities Identification Numbers ***Wertpapier-Kenn-Nummern***	
[Common Code *Common Code*	[ ]]
International Securities Identification Number (ISIN) *Internationale Wertpapierkennnummer (ISIN)*	[ ]
Classification of Financial Instruments (CFI) Code *Klassifizierungscode von Finanzinstrumenten (CFI)*	[ ]
Financial Instrument Short Name (FISN) Code *Kurzname des Finanzinstruments (FISN)*	[ ]
German Securities Code (WKN) *Deutsche Wertpapierkennnummer (WKN)*	[ ]
[Any other securities number *andere Wertpapier-Kenn-Nummer*	[ ]
Yield to final maturity[79] ***Rendite bei Endfälligkeit***	[ ]
Representation of debt security holders including an identification of the organization representing the investors and provisions applying to such representation. Indication of the website where the public may have free access to the contracts relation to these forms of representation[80]	[Not applicable] [Specify details]
Vertretung der Schuldtitelinhaber unter Angabe der die Anleger vertretenden Organisation und der für diese Vertretung geltenden Bestimmungen. Angabe der Internetseite, auf der die Öffentlichkeit die Verträge, die diese Repräsentationsformen regeln, kostenlos einsehen kann[81]	*[Nicht anwendbar]* *[Einzelheiten einfügen]*
Resolutions, authorizations and approvals by virtue of which the Notes will be created	[Specify details]
Beschlüsse, Ermächtigungen und Genehmigungen, welche die Grundlage für die Schaffung der Schuldverschreibungen bilden	*[Einzelheiten einfügen]*
If different from the issuer, the identity and contact details of the offeror of the Notes and/or the person asking for admission to trading, including the legal entity identifier (LEI), if any	[Specify details]
Sofern Anbieter und Emittent nicht identisch sind, Angabe der Identität, der Kontaktdaten des Anbieters der Schuldtitel und/oder der die Zulassung zum Handel beantragenden Person einschließlich der Rechtsträgerkennung (LEI), wenn vorhanden.	*[Einzelheiten einfügen]*
Stabilization Dealer/Manager	[insert details/None]
Kursstabilisierender Dealer/Manager	*[Einzelheiten einfügen/ Keiner]*
Prohibition of Sales to EEA Retail Investors	[Not applicable] [Applicable]
Verbot des Verkaufs an Kleinanleger im Europäischen Wirtschaftsraum	*[Nicht anwendbar] [Anwendbar]*

[79] Only applicable for Fixed Rate Notes.
Gilt nur für festverzinsliche Schuldverschreibungen.

[80] Specify further details in the case a Holders' Representative will be appointed in § 13 of the Terms and Conditions.

[81] Weitere Einzelheiten für den Fall einzufügen, dass § 13 der Emissionsbedingungen einen Gemeinsamen Vertreter bestellt.

Prohibition of Sales to UK Retail Investors

Verbot des Verkaufs an Kleinanleger im Vereinigten Königreich

[Not applicable] [Applicable]

[Nicht anwendbar] [Anwendbar]

D. Listing(s) and admission to trading

Börsenzulassung(en) und Notierungsaufnahme

[Yes/No]

[Ja/Nein]

☐ Regulated Market of the Luxembourg Stock Exchange
Regulierter Markt der Luxemburger Wertpapierbörse

☐ Other
Sonstige

[specify details]

[*Einzelheiten angeben*]

Date of admission

Termin der Zulassung

[ ]

Estimate of the total expenses related to admission to trading

Geschätzte Gesamtkosten für die Zulassung zum Handel

[ ]

All regulated markets or third-country markets, SME Growth Market or MTFs on which, to the knowledge of the Issuer, notes of the same class of the notes to be offered to the public or admitted to trading are already admitted to trading

Angabe sämtlicher geregelter Märkte oder Märkte in Drittstaaten, KMU-Wachstumsmärkte oder MTFs, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie, die öffentlich angeboten oder zum Handel zugelassen werden sollen, bereits zum Handel zugelassen sind

☐ Regulated Market of the Luxembourg Stock Exchange
Geregelter Markt der Luxemburger Wertpapierbörse

☐ Professional segment of the Regulated Market of the Luxembourg Stock Exchange
Professionelles Segment des Geregelten Marktes der Luxemburger Wertpapierbörse

☐ Other [None] [Specify details]
Andere [Keine] [Einzelheiten einfügen]

☐ not applicable
Nicht anwendbar

Name and address of the entities agreeing to underwrite the issue

[Not applicable] [specify details]

Name und Anschrift der Institute, die bereit sind, die Emission zu unterzeichnen

[Nicht anwendbar] [Einzelheiten einfügen]

E. Additional Information

Zusätzliche Informationen

Rating of the Notes	[Not applicable] [ ][82]
Rating der Schuldverschreibungen	*[Nicht anwendbar][ ][83]*

[S&P Global Ratings Europe Limited is established in the European Union and is registered pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended.] [Moody's Deutschland GmbH is established in the European Union and is registered pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended.] [specify other rating agency and whether the relevant rating agency is established in the European Union and is registered or has applied for registration pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended.] The European Securities and Markets Authority (***ESMA***) publishes on its website (https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

*[S&P Global Ratings Europe Limited hat ihren Sitz in der Europäischen Union und ist gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen (in der geänderten Fassung) registriert.] [Moody's Deutschland GmbH hat ihren Sitz in der Europäischen Union und ist gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen (in der geänderten Fassung) registriert.] [Einzelheiten einfügen, ob die jeweilige Ratingagentur ihren Sitz in der Europäischen Union hat und gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen (in der geänderten Fassung) registriert ist oder die Registrierung beantragt hat.] Die Europäische Wertpapier und Marktaufsichtsbehörde (**ESMA**) veröffentlicht auf ihrer Webseite (https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) ein Verzeichnis der nach der Ratingverordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingverordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.*

[Third Party Information

Informationen von Seiten Dritter

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted 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. The following sources were used [●].

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 -

[82] Insert rating and brief explanation of the meaning of the rating. The explanation should follow the exact definition of the relevant Rating Agency.

[83] *Rating und kurze Erklärung zur Bedeutung des Ratings einfügen. Die Erklärung sollte der genauen Definition der jeweiligen Ratingagentur entsprechen.*

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. Folgende Quellen wurden verwendet [●].]

[ZF Friedrichshafen AG] [ZF Europe Finance B.V.]

[ZF Friedrichshafen AG] [ZF Europe Finance B.V.]

_____

[Name(s) and title(s) of signatory/ies]

[Name(n) und Titel des/r Unterzeichnenden]

8. GUARANTEE

8.1 GUARANTEE (GERMAN LANGUAGE VERSION)

GARANTIE

der

**ZF Friedrichshafen AG, Friedrichshafen,
Bundesrepublik Deutschland
(die *Garantin*)**

zugunsten der Gläubiger der Schuldverschreibungen (die *Schuldverschreibungen*) der

ZF Europe Finance B.V., Amsterdam, Niederlande

(ZF Europe Finance B.V. in Bezug auf die von ihr begebenen Schuldverschreibungen unter dem Programm die *Emittentin*)

**im Rahmen des EUR 7.500.000.000 Debt Issuance Programme
der ZF Friedrichshafen AG und der ZF Europe Finance B.V.**

(das *Programm*)

**§ 1
Garantie, Status**

(1) Die Garantin garantiert hiermit unbedingt und unwiderruflich im Wege eines selbständigen Zahlungsversprechens gegenüber den Gläubigern der im Rahmen des Programms begebenen Schuldverschreibungen (die ***Gläubiger***; die Begriffe "Schuldverschreibungen" und "Gläubiger" beinhalten, soweit sie in dieser Garantie verwendet werden und für die Zwecke dieser Garantie, alle weiteren Schuldverschreibungen, die von der Emittentin gemäß § 11(1) der Emissionsbedingungen der Schuldverschreibungen (die ***Emissionsbedingungen***) begeben werden, bzw. alle Gläubiger dieser weiteren Schuldverschreibungen) die ordnungsgemäße und pünktliche Zahlung von Kapital und Zinsen auf die Schuldverschreibungen sowie von jeglichen sonstigen Beträgen, die auf die Schuldverschreibungen zahlbar sind (die ***Garantie***). Diese Garantie ist eine selbständige Garantie, die unabhängig von den Verpflichtungen der Emittentin oder der Gesellschaft (mit Ausnahme der Garantin), welche die Emittentin gemäß § 10 der Emissionsbedingungen ersetzt hat (die ***Nachfolgeschuldnerin***), und unabhängig von der Wirksamkeit und Durchsetzbarkeit der Verpflichtungen der Emittentin bzw. der Nachfolgeschuldnerin besteht.

(2) Der Zweck und das Ziel dieser Garantie ist es sicherzustellen, dass die Gläubiger unter allen Umständen, ob tatsächlicher oder rechtlicher Art, und ungeachtet der Wirksamkeit und Durchsetzbarkeit der Verpflichtungen der Emittentin bzw. der Nachfolgeschuldnerin oder irgendwelcher anderer Gründe, aus denen die Emittentin bzw. die Nachfolgeschuldnerin eine Zahlung nicht leistet, die gemäß den Emissionsbedingungen an die Gläubiger zu leistenden Zahlungen von Kapital, Zinsen und sonstigen Beträgen bei Fälligkeit der jeweiligen Zahlung gemäß den Emissionsbedingungen erhalten.

(3) Die Garantin verzichtet hiermit ausdrücklich auf alle der Emittentin bzw. einer Nachfolgeschuldnerin zustehenden Einreden (*Einreden des Hauptschuldners*), sowie auf die Einreden, welche aus einem Anfechtungs- oder Aufrechnungsrecht der Emittentin bzw. der Nachfolgeschuldnerin in Bezug auf die Schuldverschreibungen entstehen. Dieser Verzicht erstreckt sich nicht auf die Aufrechnungseinrede mit Gegenforderungen, die (i) unbestritten oder (ii) rechtskräftig festgestellt sind.

(4) Die Zahlungsverpflichtungen der Garantin aus dieser Garantie werden automatisch fällig und zahlbar, sofern und sobald die Emittentin bzw. eine Nachfolgeschuldnerin eine Zahlung auf die Schuldverschreibungen nicht bei Fälligkeit der jeweiligen Zahlung gemäß den Emissionsbedingungen leistet.

(5) Kein Gläubiger ist verpflichtet, vor einer Inanspruchnahme der Garantin aus dieser Garantie gerichtliche Schritte gegen eine Person zu ergreifen, andere Rechte geltend zu machen oder andere Sicherheiten zu verwerten oder Zahlungen von einer Person zu verlangen.

(6) Die Verbindlichkeiten der Garantin aus dieser Garantie sind mindestens gleichrangig mit allen anderen unbesicherten, nicht nachrangigen Verbindlichkeiten der Garantin, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

(7) Diese Garantie erlischt nach der vollständigen und endgültigen Befriedigung aller nach diesem § 1 garantierten Ansprüche (die ***Garantierten Verpflichtungen***). Allerdings entfaltet diese Garantie weiterhin volle Wirksamkeit, wenn eine Garantierte Verpflichtung nur vorübergehend befriedigt wurde oder von einem Insolvenzverwalter angefochten werden kann oder anderweitig abgewendet werden kann.

§ 2
NEGATIVVERPFLICHTUNG

(1) Die Garantin verpflichtet sich, solange Zahlungen aus den Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle auf die Schuldverschreibungen gemäß den Emissionsbedingungen an die Gläubiger zu zahlenden Beträge an das Clearingsystem oder an dessen Order gezahlt worden sind,

(i) für Kapitalmarktverbindlichkeiten (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen) keine dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens zu gewähren oder bestehen zu lassen, und

(ii) soweit rechtlich möglich, sicherzustellen, dass keine ihrer Wesentlichen Tochtergesellschaften Sicherungsrechte an gegenwärtigen oder zukünftigen Teilen ihres Vermögens oder ihres Vermögens insgesamt zur Sicherung der gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeiten, bestellt oder fortbestehen lässt, ohne jeweils die Gläubiger zur gleichen Zeit auf gleiche Weise und anteilig an diesen Sicherungsrechten teilhaben zu lassen.,

sofern nicht die Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig und anteilig an einer solchen dinglichen Sicherheit teilhaben, oder diesbezüglich eine dingliche Sicherheit zu im Wesentlichen gleichen Bedingungen bestellt wird.

(2) Die Verpflichtung gemäß § 2(1) besteht jedoch nicht für solche Sicherheiten, die

(i) gesetzlich vorgeschrieben sind, oder

(ii) als Voraussetzung für staatliche Genehmigungen verlangt werden, oder

(iii) am Begebungstag der Schuldverschreibungen bestehen, oder

(iv) durch die Garantin oder von einer Wesentlichen Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen der Garantin oder Ansprüchen einer Wesentlichen Tochtergesellschaft gegen verbundene Unternehmen im Sinne der §§ 15 ff. Aktiengesetz oder gegen Dritte aufgrund der Weiterleitung von Erlösen aus der Emission von Wertpapieren bestehen, soweit diese Sicherheiten zur Sicherung von Verpflichtungen aus diesen durch die Garantin oder durch eine Wesentliche Tochtergesellschaft ausgegebenen Wertpapieren dienen, oder

(v) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichern, die infolge der Akquisition eine Verpflichtung der Garantin oder einer Gesellschaft der Gruppe wird, sofern diese Kapitalmarktverbindlichkeit nicht im Hinblick auf diese Akquisition begründet wurde, oder

(vi) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch die Garantin oder eine Gesellschaft der Gruppe bestellt werden, oder

(vii) im Zusammenhang mit der Begebung von asset backed securities (ABS) durch eine Zweckgesellschaft gegeben werden, bei denen die Garantin oder eine Gesellschaft der Gruppe der Originator der zugrunde liegenden Vermögenswerte ist, oder

(viii) im Zusammenhang mit der Finanzierung von Projekten oder Vermögensgegenständen gegeben werden, vorausgesetzt, dass die Vermögensgegenstände, an denen das Sicherungsrecht besteht, (A) Vermögensgegenstände sind, die in dem Projekt oder im Zusammenhang mit dem Projekt, auf das sich die Kapitalmarktverbindlichkeiten beziehen, genutzt werden oder genutzt werden sollen, oder (B) Einnahmen oder Ansprüche sind, die aufgrund der Nutzung, des Betriebs, der Nichteinhaltung von Spezifikationen, der Verwertung, des Verkaufs, des Verlusts/Untergangs oder der Beschädigung dieser Vermögensgegenstände entstehen, und weiter vorausgesetzt, dass diese Kapitalmarktverbindlichkeiten weder direkt noch indirekt Gegenstand einer Garantie, Freistellung oder anderen Form der Zusicherung, Verpflichtung oder Unterstützung irgendeines anderen Mitglieds der Gruppe sind, oder

(ix) eine Erneuerung, Verlängerung oder Ersetzung irgendeiner Sicherheit gemäß vorstehend (i)bis (viii) darstellen, oder

(x) nicht in den Anwendungsbereich von (i) bis (ix) fallen und Kapitalmarktverbindlichkeiten besichern, deren Kapitalbetrag (zusammen mit dem Kapitalbetrag anderer Kapitalmarktverbindlichkeiten, für die andere dingliche Sicherheiten als solche (begeben durch die Emittentin, die Garantin oder eine Wesentliche Tochtergesellschaft), die in den Anwendungsbereich von (i) bis (ix) fallen, bestehen) EUR 300.000.000 (bzw. den Gegenwert in anderen Währungen) nicht überschreitet.

(3) Eine nach diesem § 2 zu stellende Sicherheit kann auch zu Gunsten der Person eines Treuhänders der Gläubiger bestellt werden.

(4) Definitionen.

Die in diesem § 2 benutzten Begriffe "Vermögen" und "Verpflichtung zur Zahlung oder Rückzahlung von Geldern" schließen nicht solche Vermögensgegenstände der Emittentin, der Garantin oder einer Wesentlichen Tochtergesellschaft mit ein, die im Einklang mit den Gesetzen der Bundesrepublik Deutschland (***Deutschland***) und, falls die betreffenden Schuldverschreibungen von der ZF Europe Finance B.V. begeben wurden, des Königreichs der Niederlande und den dort anerkannten Regeln der Bilanzierung und Buchführung oder den jeweils anwendbaren Gesetzen und anerkannten Regeln der Bilanzierung und Buchführung nicht in den Bilanzen der Emittentin, der Garantin oder einer Wesentlichen Tochtergesellschaft ausgewiesen werden müssen und darin auch nicht ausgewiesen werden.

Kapitalmarktverbindlichkeit bezeichnet jede gegenwärtige oder zukünftige Verpflichtung zur Zahlung oder Rückzahlung von Geldern (einschließlich Verpflichtungen aus Garantien oder anderen Haftungsvereinbarungen für Verbindlichkeiten von Dritten) entweder (i) aus Schuldscheindarlehen, (ii) aus Namensschuldverschreibungen oder (iii) aus Schuldverschreibungen, sofern diese eine ursprüngliche Laufzeit von mehr als einem Jahr haben und an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden oder notiert, zugelassen oder gehandelt werden können.

Gruppe bezeichnet die Garantin und ihre jeweiligen vollkonsolidierten Tochtergesellschaften.

Tochtergesellschaft bezeichnet ein Unternehmen, bei dem eine Person die unmittelbare oder mittelbare Kontrolle besitzt oder unmittelbar oder mittelbar Eigentümer von mehr als 50 % des stimmberechtigten Kapitals oder entsprechender Eigentumsrechte ist; "Kontrolle" bedeutet in diesem Zusammenhang die Berechtigung, die Geschäftsführung und die Politik des Unternehmens sei es über das Eigentum am stimmberechtigten Kapital, mittels eines Vertrages oder auf andere Weise im Sinne von § 17 Aktiengesetz zu bestimmen (Fälle mehrfacher Abhängigkeit bei Gemeinschaftsunternehmen, bei denen kein Partner mehr als 50 % der Stimmrechte hält, sind dabei ausgeschlossen).

Wesentliche Tochtergesellschaft bezeichnet eine Tochtergesellschaft der Garantin, deren unkonsolidiertes Ergebnis vor Zinsen, Steuern, Abschreibungen und Abschreibungen auf immaterielle Vermögenswerte (***EBITDA***) oder unkonsolidiertes Bruttovermögen (gemäß dem letzten Jahresabschluss der betreffenden Tochtergesellschaft, der in den letzten geprüften Konzernabschluss konsolidiert wurde) mindestens 5 % des unkonsolidierten EBITDA oder unkonsolidierten Bruttovermögens der Gruppe ausmacht, wobei eine neu erworbene Tochtergesellschaft der Garantin bis zum Ablauf von sechs Monaten ab Durchführung des Erwerbs nicht als Wesentliche Tochtergesellschaft gilt. Ein Bericht der Wirtschaftsprüfer der Garantin darüber, ob ihrer Meinung nach eine Tochtergesellschaft zu einem bestimmten Zeitpunkt eine Wesentliche Tochtergesellschaft ist oder war bzw. nicht ist oder nicht war, ist, sofern nicht ein offensichtlicher Irrtum vorliegt, für alle Beteiligten endgültig und bindend.

§ 3
BESTEUERUNG

Alle in Bezug auf die Garantie zahlbaren Beträge werden ohne Einbehalt oder Abzug an der Quelle für oder wegen gegenwärtiger oder zukünftiger Steuern oder Abgaben gleich welcher Art gezahlt, die von oder im Namen (1) des Königreichs der Niederlande oder einer dort zur Steuererhebung ermächtigten Behörde, (2) einer Rechtsordnung, aus der bzw. über die eine Zahlung auf die Garantie geleistet wird, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde, und/oder (3) einer anderen Rechtsordnung, in der die zahlende Partei errichtet ist oder anderweitig als gebietsansässig gilt oder im steuerlichen Sinn geschäftlich tätig ist, oder einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde (jeweils eine ***Relevante Steuerjurisdiktion***) im Wege des Abzugs oder Einbehalts auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben. In diesem Fall wird die Garantin diejenigen zusätzlichen Beträge (***Zusätzliche Beträge***) zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt

oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären; jedoch sind solche Zusätzlichen Beträge nicht zu zahlen in Bezug auf:

(a) Steuern oder Abgaben, die von einer als Depotbank oder Inkassobeauftragter eines Gläubigers handelnden Person oder auf eine sonstige Weise zu entrichten sind, die keinen Abzug oder Einbehalt von Zahlungen von Kapital oder Zinsen durch die Garantin darstellen; oder

(b) Zahlungen, die nicht erhoben worden wären, wenn nicht eine gegenwärtige oder ehemalige Beziehung zwischen dem betreffenden Gläubiger (oder einem Treuhänder, Treugeber, Begünstigten, Mitglied oder Gesellschafter dieses Gläubigers oder einer Person, die beherrschenden Einfluss auf diesen Gläubiger hat) und einer Relevanten Steuerjurisdiktion bestehen würde, unter anderem in der Form, dass der betreffende Gläubiger (bzw. Treuhänder, Treugeber, Begünstigte, Mitglied, Gesellschafter oder die Person, die solchen Einfluss hat) Staatsbürger einer Relevanten Steuerjurisdiktion ist oder war oder dort ansässig ist oder war oder als dort ansässig gilt oder galt oder dort ein Gewerbe oder eine Geschäftstätigkeit betreibt oder betrieben hat oder dort eine Betriebsstätte unterhält oder unterhalten hat, mit Ausnahme von Beziehungen, die allein dadurch entstehen, dass ein Gläubiger Ansprüche aus der Garantie erwirbt, hält oder veräußert bzw. eine Zahlung darunter oder in Bezug auf diese erhält oder Ansprüche darauf geltend macht; oder

(c) Zahlungen an den Gläubiger oder an einen Dritten für den Gläubiger, falls kein Einbehalt oder Abzug hätte erfolgen müssen, wenn die Schuldverschreibung zum Zeitpunkt der fraglichen Zahlung einem Depotkonto bei einer bzw. einem nicht in der Relevanten Steuerjurisdiktion ansässigen Bank, Finanzdienstleistungsinstitut, Wertpapierhandelsunternehmen oder Wertpapierhandelsbank gutgeschrieben gewesen wäre; oder

(d) falls der Einbehalt oder Abzug gemäß (i) einer Richtlinie oder Verordnung der Europäischen Union zur Zinsbesteuerung oder (ii) einem internationalen Abkommen oder Übereinkommen zu einer solchen Besteuerung, bei dem die Relevante Steuerjurisdiktion oder die Europäische Union Parteien sind, oder (iii) einem diese Richtlinie oder Verordnung oder dieses Abkommen oder Übereinkommen umsetzenden oder sie befolgenden oder zu ihrer Befolgung erlassenen Gesetz, oder (iv) dem Luxemburger Gesetz vom 23. Dezember 2005 erhoben wird; oder

(e) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger zahlbar ist, der einen solchen Einbehalt oder Abzug dadurch rechtmäßigerweise hätte vermindern können (aber nicht vermindert hat), dass er gesetzliche Vorschriften beachtet, oder dafür sorgt, dass Dritte dieses tun, oder dadurch dass er eine Nichtansässigkeitserklärung oder einen ähnlichen Antrag auf Quellensteuerbefreiung gegenüber der am Zahlungsort zuständigen Steuerbehörde abgibt oder dafür sorgt, dass dies durch einen Dritten erfolgt; oder

(f) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger vorzunehmen ist, der einen solchen Einbehalt oder Abzug durch die Bewirkung einer Zahlung über eine andere Zahlstelle in einem Mitgliedsstaat der Europäischen Union, welche nicht zu einem solchen Einbehalt oder Abzug verpflichtet ist, hätte vermindern können; oder

(g) soweit der Einbehalt oder Abzug für einen Gläubiger oder dessen Rechnung vorzunehmen ist, der Schuldverschreibungen mehr als 30 Tage nach dem Tag, an dem eine Zahlung unter den Schuldverschreibungen fällig und zahlbar wurde bzw., soweit dies später eintritt, nach dem Tag, an dem die Zahlung ordnungsgemäß vorgenommen wurde, vorgelegt hat; oder

(h) soweit der Einbehalt oder Abzug gemäß §§ 1471 bis 1474 des Internal Revenue Code, jeder gegenwärtigen oder zukünftigen Verordnung oder offiziellen Auslegung davon, jeder Vereinbarung, die gemäß § 1471(b) des Internal Revenue Codes eingegangen wurde oder jeder steuerlichen oder regulatorischen Gesetzgebung, sowie steuerlichen und regulatorischen Gesetzen oder Vorgehensweisen, die nach einem zwischenstaatlichen Vertrag, der zur Umsetzung der Bestimmungen des Internal Revenue Codes geschlossen wurde, vorzunehmen ist; oder

(i) Steuern oder Abgaben, die gemäß dem niederländischen Quellensteuergesetz 2021 (*Wet bronbelasting 2021*) einbehalten werden müssen; oder

(j) jegliche Kombination der Absätze (a)-(i).

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Garantie an einen Gläubiger gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer erhält, soweit nach den Gesetzen der Relevanten Steuerjurisdiktion(en) eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder dem Gesellschafter der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines

Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer unmittelbarer Gläubiger der Schuldverschreibungen wäre.

Klarstellend wird darauf hingewiesen, dass die in der Bundesrepublik Deutschland aufgrund von zum Begebungstag geltenden Steuergesetzen auf Ebene der Depotbank derzeit erhobene Kapitalertragsteuer und der darauf jeweils anfallende Solidaritätszuschlag keine Steuer oder sonstige Abgabe im oben genannten Sinne sind, für die Zusätzliche Beträge seitens der Garantin zu zahlen wären. ***Begebungstag*** bezeichnet in Bezug auf eine bestimmte Tranche von Schuldverschreibungen den Begebungstag dieser Schuldverschreibungen.

§ 4
BESCHLÜSSE DER GLÄUBIGER — ÄNDERUNGEN DER GARANTIE

Falls die Emissionsbedingungen Mehrheitsbeschlüsse der Gläubiger im Hinblick auf Änderungen dieser Garantie vorsehen, können die Gläubiger durch einen gemäß § 13 der Emissionsbedingungen gefassten Mehrheitsbeschluss Änderungen dieser Garantie in Bezug auf die betreffenden Schuldverschreibungen zustimmen. Eine Verpflichtung zur Leistung kann für die Gläubiger durch Mehrheitsbeschluss nicht begründet werden.

Mehrheitsbeschlüsse der Gläubiger sind für alle Gläubiger gleichermaßen verbindlich. Ein Mehrheitsbeschluss der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

§ 5
INFORMATIONEN

(1) Die Garantin verpflichtet sich, solange die Schuldverschreibungen noch nicht zurückgezahlt oder zurückgekauft und entwertet wurden, spätestens an den nachstehend bestimmten Tagen (oder, falls ein solcher Tag kein Geschäftstag in Friedrichshafen, Deutschland, ist, am nächstfolgenden Geschäftstag) eine englischsprachige Fassung der Regelmäßigen Finanzinformationen auf ihrer Internetseite zu veröffentlichen.

Regelmäßige Finanzinformationen bezeichnet:

(i) den im Einklang mit der Verordnung (EG) 1606/2002 in ihrer jeweils geltenden Fassung bzw. der jeweils anwendbaren Nachfolgeregelung aufgestellten geprüften Konzernabschluss der Garantin einschließlich des Konzernlageberichts, der jeweils spätestens sechs Monate nach Ende des vorangegangenen Geschäftsjahrs der Garantin veröffentlicht sein muss; und

(ii) den ungeprüften verkürzten Konzernhalbjahreszwischenabschluss der Garantin (bestehend aus Konzernbilanz, vereinfachter Konzern-Gewinn- und Verlustrechnung und Konzern-Kapitalflussrechnung), der jeweils spätestens am neunzigsten Kalendertag nach dem Ende des zweiten Quartals des jeweils laufenden Geschäftsjahrs der Garantin zu veröffentlichen ist.

(2) Die Garantin verpflichtet sich, es zu unterlassen, einem Gläubiger über die Regelmäßigen Finanzinformationen hinaus, Informationen über sich selbst oder andere Umstände, die den Wert der Schuldverschreibungen beeinflussen können, zukommen zu lassen, ohne diese Informationen zur gleichen Zeit allen Gläubigern bekannt zu machen, es sei denn, der betreffende Gläubiger erhält solche Informationen aufgrund eines Rechtsverhältnisses mit der Garantin, das von seiner Stellung als Gläubiger der Schuldverschreibungen unabhängig ist.

§ 6
DEFINITIONEN

Begriffe, die in dieser Garantie verwendet werden und in den Emissionsbedingungen definiert sind, haben, soweit in dieser Garantie nicht anders angegeben, dieselbe Bedeutung wie in den Emissionsbedingungen.

§ 7
ANWENDBARES RECHT, GERICHTSSTAND, SPRACHE UND GERICHTLICHE GELTENDMACHUNG

(1) Form und Inhalt dieser Garantie sowie die Rechte und Pflichten der Gläubiger und der Garantin bestimmen sich nach deutschem Recht, jeweils unter Ausschluss der Grundsätze des Internationalen Privatrechts.

(2) Nicht-ausschließlicher Gerichtsstand für sämtliche im Zusammenhang mit dieser Garantie entstehenden Klagen oder sonstigen Verfahren ist Frankfurt am Main.

(3) Diese Garantie stellt einen Vertrag zugunsten Dritter im Sinne des § 328 Abs. 1 BGB dar, der jedem Gläubiger das Recht gibt, die Erfüllung der in dieser Garantie übernommenen Verpflichtungen unmittelbar von der Garantin zu verlangen und diese Garantie unmittelbar gegen die Garantin durchzusetzen.

(4) Diese Garantie ist in deutscher Sprache abgefasst und in die englische Sprache übersetzt. Die deutschsprachige Fassung ist verbindlich und allein maßgeblich.

(5) Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Garantin oder in jedem Rechtsstreit, in dem der Gläubiger und die Garantin Partei sind, seine Rechte aus dieser Garantie im eigenen Namen auf der Grundlage einer Kopie dieser Garantie, die von einer autorisierten Person der Emissionsstelle bestätigt wurde, ohne Vorlage des Originals der Garantie, zu schützen und geltend zu machen.

Friedrichshafen, im April 2025

ZF FRIEDRICHSHAFEN AG

Durch:	Durch:

Wir akzeptieren die Bestimmungen der vorstehenden Garantie ohne Obligo, Gewährleistung oder Rückgriff auf uns.

Frankfurt am Main, im April 2025

DEUTSCHE BANK AKTIENGESELLSCHAFT

Durch:	Durch:

8.2 GUARANTEE (ENGLISH LANGUAGE TRANSLATION)

GUARANTEE

of

ZF Friedrichshafen AG, Friedrichshafen
Federal Republic of Germany
(the *Guarantor*)

for the benefit of the Holders of notes (the *Notes*), issued by

ZF Europe Finance B.V., Amsterdam, The Netherlands

(ZF Europe Finance B.V. in respect of the Notes issued by it under the Programme the *Issuer*)

under the EUR 7,500,000,000 Debt Issuance Programme
of ZF Friedrichshafen AG and ZF Europe Finance B.V.
(the *Programme*)

§ 1
Guarantee, status

(1) The Guarantor hereby unconditionally and irrevocably guarantees by way of an independent payment obligation (*selbständiges Zahlungsversprechen*) to the holders from time to time of any Notes under the Programme (the ***Holders*** and the expressions "Notes" and "Holders" as used herein shall, for the purposes of this Guarantee, include any additional Notes issued by the Issuer under § 11(1) of the terms and conditions of the Notes (the ***Terms and Conditions***) and any Holders of any such additional Notes) the due and punctual payment of principal of, and interest on, and any other amounts payable under the Notes (the ***Guarantee***). This Guarantee shall be separate and independent from the obligations of the Issuer or the company (other than the Guarantor) which may have been substituted for the same pursuant to § 10 of the Terms and Conditions (the ***Substitute Debtor***) and shall exist irrespective of the validity and enforceability of the obligations of the Issuer or Substitute Debtor.

(2) The intent and purpose of this Guarantee is to ensure that the Holders under all circumstances, whether factual or legal, and regardless of the validity and enforceability of the obligations of the Issuer or the Substitute Debtor, or of any other grounds on the basis of which the Issuer or the Substitute Debtor may fail to effect payment, shall receive the amounts payable as principal, interest and other amounts payable to the Holders pursuant to the Terms and Conditions on the due dates as provided for in the Terms and Conditions.

(3) The Guarantor hereby explicitly waives any personal defences of the Issuer or any Substitute Debtor (*Einreden des Hauptschuldners*) as well as any defences arising out of the Issuer's or Substitute Debtor's right of revocation (*Anfechtbarkeit*) or set-off (*Aufrechenbarkeit*) with respect to the Notes. This waiver shall not apply to any defences relating to any right of set-off with counterclaims that are (i) uncontested (*unbestritten*) or (ii) based on an unappealable (*rechtskräftig festgestellt*) court decision.

(4) The Guarantor's payment obligations under this Guarantee become automatically due and payable if and when the Issuer or any Substitute Debtor does not make a payment with respect to the Notes when such payment is due and payable pursuant to the Terms and Conditions.

(5) No Holder will be required to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor under this Guarantee.

(6) The obligations of the Guarantor under this Guarantee shall rank at least *pari passu* with all other unsubordinated obligations of the Guarantor, unless such obligations are accorded priority under mandatory provisions of statutory law.

(7) This Guarantee is discharged upon the full and irrevocable satisfaction of all claims guaranteed pursuant to this § 1 (the ***Guaranteed Obligations***). However, if any of the Guaranteed Obligations was only temporarily satisfied or is subject to be set aside by an insolvency administrator (*Anfechtungsrecht*) or can be avoided otherwise, the Guarantee shall continue in full force and effect.

§ 2
NEGATIVE PLEDGE

(1) The Guarantor undertakes, as long as any amounts remain outstanding under the Notes, but only up to the time all amounts payable to Holders under the Notes in accordance with the Terms and Conditions have been paid to the Clearing System or to its order, that

(i) it will not create or permit to subsist any security interest *in rem* (*dingliche Sicherheit*) over all or part of its present or future assets as security for any Capital Market Indebtedness (including any guarantees and indemnities given in respect thereof), and

(ii) it will procure, to the extent legally permissible, that no Material Subsidiary will at any time create or permit to subsist any security interest *in rem* upon all or any of its present or future assets as security for any Capital Market Indebtedness (including any guarantees and indemnities given in respect thereof) issued by the Guarantor or a Material Subsidiary,

unless at the same time or prior thereto, the Issuer's obligations under the Notes are secured equally and rateably therewith or benefit from a security interest *in rem* in substantially identical terms thereto.

(2) The undertaking pursuant to § 2(1) shall not apply to a security which

(i) is mandatory according to applicable laws, or

(ii) is required as a prerequisite for governmental approvals, or

(iii) is existing on the issue date of the Notes, or

(iv) provided by the Guarantor or by any Material Subsidiary over any of the Guarantor's claims or claims of any Material Subsidiary against any affiliated companies within the meaning of § 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz*) or any third party, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the issuance of any securities, provided that any such security serves to secure obligations under such securities issued by the Guarantor or by a Material Subsidiary, or

(v) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Guarantor or any member of the Group as a consequence of such acquisition, provided that such Capital Market Indebtedness was not created in contemplation of such acquisition, or

(vi) is provided in connection with any issuance of asset backed securities by the Guarantor or by any member of the Group, or

(vii) is provided in respect of any issuance of asset backed securities made by a special purpose vehicle where the Guarantor or any member of the Group is the originator of the underlying assets, or

(viii) is provided in respect of any financing of any project or asset, provided that the assets on which the security is created are (A) the assets which are used or to be used in or in connection with the project to which such Capital Markets Indebtedness relates or (B) revenues or claims which arise from the use, operation, failure to meet specifications, exploitation, sale, or loss of or damage to, such assets and provided further that such Capital Markets Indebtedness is not directly or indirectly the subject of any guarantee, indemnity or other form of assurance, undertaking or support from any other member of the Group, or

(ix) constitutes the renewal, extension or replacement of any security pursuant to foregoing (i) through (viii), or

(x) do not fall within the scope of application of (i) through (ix) above and which secure Capital Market Indebtedness with a principal amount (when aggregated with the principal amount of other Capital Markets Indebtedness which has the benefit of security (issued by the Issuer, the Guarantor or any Material Subsidiary) other than any falling within the scope of application of (i) through (ix) above) not exceeding EUR 300,000,000 (or its equivalent in other currencies).

(3) Any security which is to be provided pursuant to this § 2 may also be provided to a person acting as trustee for the Holders.

(4) Definitions.

The expressions "assets" and "obligation for the payment or repayment of money that is borrowed" as used in this § 2 do not include assets of the Issuer, Guarantor or any Material Subsidiary which, pursuant to the requirements of law and accounting principles generally accepted in the Federal Republic of Germany (***Germany***) and, if the relevant Notes are issued by ZF Europe Finance B.V., the Kingdom of The Netherlands

or such other applicable law and accepted accounting principles generally, as the case may be, need not, and are not, reflected in the Issuer's, Guarantor's or in a Material Subsidiary's balance sheets.

Capital Market Indebtedness means any present or future obligation for the payment or repayment of money (including obligations by reason of any guarantee or other liability agreement for obligations of third parties) that is borrowed either in the form of (i) bonded loans (*Schuldscheindarlehen*), (ii) registered notes (*Namensschuldverschreibungen*), or (iii) in the form of an issuance of notes with an original maturity of more than one year and which are, or are capable of being, quoted, listed or traded on a stock exchange or other recognized securities market.

Group means the Guarantor and all of its fully consolidated Subsidiaries from time to time.

Subsidiary means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right of ownership and "control" in this context means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise within the meaning of § 17 of the German Stock Corporation Act (*Aktiengesetz*) (cases of multiple dependency (*mehrfache Abhängigkeit*) in relation of joint ventures where no partner holds more than 50% of the voting rights shall be excluded).

Material Subsidiaries means a Subsidiary of the Guarantor which has unconsolidated earnings before interest, taxes, depreciation and amortization (***EBITDA***) or unconsolidated gross assets (based on the latest annual financial statements of the respective Subsidiary which was consolidated into the latest audited consolidated financial statements of the Group) representing 5% or more of the unconsolidated EBITDA or unconsolidated gross assets of the Group, provided that any newly acquired subsidiary of the Guarantor shall in no event constitute a Material Subsidiary until expiry of a six-month period from the completion of the relevant acquisition. A certificate issued by the Guarantor's auditors stating that a subsidiary is or is not or was or was not at a specified date a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

§ 3
TAXATION

All payments of principal and interest made under this Guarantee shall be made free and clear of, and without withholding or deduction for, any present or future taxes or duties of whatever nature imposed or levied by way of deduction or withholding by or on behalf of (1) the Kingdom of The Netherlands or any authority therein or thereof having power to tax, (2) any jurisdiction from or through which payment on the Guarantee is made, or any political subdivision or governmental authority thereof or therein having the power to tax and/or (3) any other jurisdiction in which the payor is organized or otherwise considered to be resident or doing business for tax purposes, or any political subdivision or governmental authority thereof or therein having the power to tax (each a ***Relevant Taxing Jurisdiction***), unless such deduction or withholding is required by law. In that event the Guarantor shall pay such additional amounts (the ***Additional Amounts***) as shall result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to:

(a) taxes or duties which are payable by any Person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Guarantor, as applicable, from payments made by it; or

(b) payments that would not have been so imposed but for the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or a person having a power over, such Holder) and any Relevant Taxing Jurisdiction including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, member, shareholder or person having such a power) being or having been a citizen or resident or treated as a resident of, being or having been engaged in a trade or business in, or having or having had a permanent establishment in, a Relevant Taxing Jurisdiction other than any connections arising solely from a Holder acquiring, holding or disposing of, receiving any payment under or with respect to or enforcing the Guarantee; or

(c) payments to, or to a third party on behalf of, a Holder where no such withholding or deduction would have been required to be made if the Notes were credited at the time of payment to a securities deposit account with a bank, financial services institution, securities trading business or securities trading bank, in each case outside the Relevant Taxing Jurisdiction; or

(d) payments where such withholding or deduction is imposed pursuant to (i) any European Union Directive or Regulation concerning the taxation of savings, or (ii) any international treaty or understanding relating to such taxation and to which the Relevant Taxing Jurisdiction or the European Union is a party/are parties, or (iii) any provision of law implementing, or complying with, or introduced to conform with,

such Directive, Regulation, treaty or understanding, or (iv) the Luxembourg law of December 23, 2005; or

(e) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who could lawfully mitigate (but has not so mitigated) such withholding or deduction by complying or procuring that any third party complies with any statutory requirements or by making or procuring that a third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the payment is effected; or

(f) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who would have been able to mitigate such withholding or deduction by effecting a payment via another paying agent in a Member State of the European Union not obliged to withhold or deduct tax; or

(g) payments to the extent such withholding or deduction is for or on account of the presentation by the Holder of any Note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or

(h) payments to the extent such withholding or deduction is required pursuant to Sections 1471 through 1474 of the Internal Revenue Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Internal Revenue Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Internal Revenue Code; or

(i) taxes or duties that are required to be withheld pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*); or

(j) any combination of items (a)-(i);

nor shall any Additional Amounts be paid with respect to any payment on the Guarantee to a Holder who is a fiduciary or partnership or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.

For the avoidance of doubt, the withholding tax (*Kapitalertragsteuer*) currently levied in the Federal Republic of Germany at the level of the custodian bank and the solidarity surcharge (*Solidaritätszuschlag*) imposed thereon pursuant to tax law as in effect as of the Issue Date do not constitute a tax or duty as described above in respect of which Additional Amounts would be payable by the Guarantor. ***Issue Date*** means in respect of a particular issue of Notes, the issue date of such Notes.

§ 4
RESOLUTIONS OF HOLDERS – AMENDMENTS TO THE GUARANTEE

If the Terms and Conditions provide for majority resolutions of Holders in respect of amendments of this Guarantee, the Holders may consent to amendments of this Guarantee by majority resolution passed in accordance with § 13 of the Terms and Conditions with respect to the relevant Notes, provided that no obligation to make any payment or render any other performance shall be imposed on any Holder by majority resolution.

Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

§ 5
INFORMATION

(1) The Guarantor undertakes that for such time as the Notes have not been redeemed or repurchased and cancelled, to publish an English language version of the Periodic Financial Information on its internet website no later than on the dates specified below (or, if any such day is not a business day in Friedrichshafen, Germany, on the following business day).

Periodic Financial Information means:

(i) the audited consolidated financial statements of the Guarantor prepared in accordance with Regulation (EC) No. 1606/2002 as amended from time to time or the respective applicable successor provision including the group management report which have to be published no later than six months after the end of the Guarantor's preceding financial year; and

(ii) the unaudited condensed consolidated half-yearly interim financial statements of the Guarantor (comprising consolidated statement of financial position, condensed consolidated statement of profit or loss and consolidated statement of cash flows) which has to be published no later than the ninetieth calendar day following the end of the second quarter of the Guarantor's recent financial year.

(2) The Guarantor undertakes not to provide information about itself or any other factors which may affect the value of the Notes to any Holder in addition to the Periodic Financial Information, without providing such information to all Holders at the same time, unless the relevant Holder is provided with such information because of a legal relationship with the Guarantor which is independent from its status as Holder.

§ 6

DEFINITIONS

Unless otherwise defined in this Guarantee, terms used herein and defined in the Terms and Conditions shall have the meaning attributed to them in the Terms and Conditions.

§ 7

APPLICABLE LAW, PLACE OF JURISDICTION, LANGUAGE AND ENFORCEMENT

(1) This Guarantee, as to form and content, and all rights and obligations of the Holders and the Guarantor, shall be governed by German law without giving effect to the principles of conflicts of law thereof.

(2) The place of non-exclusive jurisdiction for any action or other legal proceedings or in connection with this Guarantee shall be Frankfurt am Main.

(3) This Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 paragraph 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) giving rise to the right of each Holder to require performance of this Guarantee directly from the Guarantor and to enforce this Guarantee directly against the Guarantor.

(4) This Guarantee is written in the German language and attached hereto is a non-binding English translation.

(5) Any Holder of Notes may in any proceedings against the Guarantor, or to which such Holder and the Guarantor are parties, protect and enforce in his own name his rights arising under this Guarantee on the basis of a copy of this Guarantee certified by an authorized person of the Fiscal Agent without presentation of the original Guarantee.

Friedrichshafen, April 2025

ZF FRIEDRICHSHAFEN AG

By:	By:

We accept the terms of the above Guarantee without recourse, warranty or liability.

Frankfurt am Main, April 2025

DEUTSCHE BANK AKTIENGESELLSCHAFT

By:	By:

9. USE OF PROCEEDS

Except as disclosed in the relevant Final Terms, as applicable, the net proceeds of the issue of each Tranche of Notes will be applied by the relevant Issuer to meet part of its general corporate purposes. If in respect of any particular issue there is a particular identified use of proceeds, this will be stated in the relevant Final Terms, as applicable.

Green Bonds

The Final Terms relating to any tranche of Notes issued under the Programme may provide that it will be the Issuer's intention to apply an amount equal to the proceeds from an offer of those Notes specifically for projects and activities that promote climate friendly and other environmental or social purposes.

General

ZF AG has established a green finance framework (the ***Framework*)** to give itself a methodology for the issuance of Green Bonds and the intended allocation of its proceeds. The Framework aligns with the 2021 edition of the Green Bond Principles including the updated Appendix I of June 2022, administered by the International Capital Market Association (the ***ICMA GBP*)** as well as the LMA Green Loan Principles 2023 edition (the ***LMA GLP***), and follows its four core components: Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting. It also follows the ICMA GBP's recommendation regarding an external review of the Framework, which has been conducted by ISS-Corporate. The results are documented in a second party opinion (the ***Second Party Opinion***), which confirms that the Framework met the ICMA GBP and the LMA GLP at the time of its publication.

None of the Framework or any other document related thereto including the Second Party Opinion, any footnotes, links to the website of ZF AG and/or progress and impact assessment reports are, nor shall they be deemed to be, incorporated in and/or form part of this Prospectus.

The following summary information reflects the status of the Framework as of the date of this Prospectus. Investors should note that the Framework may be updated at any time, and that such updated Framework will then apply to any Green Bonds, newly issued or outstanding. The Framework, as updated from time to time, is available on the website of ZF AG (*https://www.zf.com/master/media/corporate/m_zf_com/company/bonds_relations_/sustainable_finance/zf_green_finance_framework/ZF_Green-Finance-Framework-2024.pdf*), as is the Second Party Opinion (*https://www.zf.com/master/media/corporate/m_zf_com/company/bonds_relations_/sustainable_finance/zf_second_party_opinion/ZF_Second-Party-Opinion-2024.pdf*).

Use of Proceeds

ZF AG intends to allocate an amount at least equivalent to the net proceeds from the issuance of Green Bonds towards financing and/or refinancing, in whole or in part, new and/or existing eligible green projects (***Eligible Green Projects***). Eligible Green Projects are defined as projects that meet the respective green eligibility criteria (***Green Eligibility Criteria***), which are defined in the Framework and have been prepared in accordance with the ICMA GBP and LMA GLP documentation.

The Green Eligibility Criteria identified in the Framework are described below and are mapped to the relevant categories provided by the ICMA GBP and the LMA GLP:

- *Clean Transportation*: Development, manufacture and distribution of products for fully electric, fuel cell and hydrogen zero emission vehicles and energy storage systems, including investments and/or expenditures in public transportation/clean urban mobility (e.g., electric buses, rail, bike).

- *Renewable Energy*: (a) Development, manufacture and distribution of components for renewable energy generation and storage systems, e.g., wind turbine gearboxes; and (b) Installation and upgrade of renewable energy assets including e.g., solar PV and wind, at ZF locations. In line with the technical screening criteria of the EU Taxonomy, only renewable energy assets with a threshold of 100 g CO_2/kWh are eligible. Nuclear and fossil fuel sources are excluded.

- *Pollution Prevention and Control*: (a) Development and implementation of approaches to prevent and reduce waste and enhance the re-use and recovery of materials; (b) Increase of energy and resource

efficiency, such as reduced CO_2 emissions, in product development; and (c) Reduction of greenhouse gas emissions during the ZF production phase.

- *Energy Efficiency*: Increase of energy and resource efficiency, such as reduced energy consumption or CO_2 emissions, in ZF locations. In the case of building renovations, the renovation must lead to a reduction of the primary energy demand of at least 30% in comparison to the energy performance of the building before the renovation.

Process for Project Evaluation and Selection

Projects financed and/or refinanced through the Green Bonds proceeds are evaluated and selected on the basis of compliance with the Green Eligibility Criteria by a dedicated green finance committee. The committee consists of members of the Corporate Finance/Treasury, Controlling, Environmental Protection and Sustainability teams.

Management of Proceeds

ZF AG intends to allocate the proceeds of each Green Bond to an eligible green project portfolio ***(Eligible Green Project Portfolio***), consisting of Eligible Green Projects selected in accordance with the Green Eligibility Criteria and the process for project evaluation and selection as presented in the Framework. Over time, ZF AG will strive to maintain a level of allocation for the Eligible Green Project Portfolio which, after adjustments for intervening circumstances including, but not limited to, divestments, matches or exceeds the balance of net proceeds from its outstanding Green Bonds.

Whilst any Green Bond net proceeds remain unallocated, ZF AG will hold and/or invest such balance, at its own discretion, in its treasury liquidity portfolio (in cash or cash equivalents, money market funds, etc.).

Reporting

ZF AG intends to make and keep readily available reporting on the Eligible Green Project Portfolio and the Green Bonds outstanding. Reporting with respect to each Green Bond will take place annually and until full allocation, or until maturity. The reports will be available on the website of ZF AG.

10. TAXATION WARNING

THE TAX LEGISLATION OF THE STATE OF RESIDENCE OF A PROSPECTIVE PURCHASER OF NOTES OR OF A JURISDICTION WHERE A PROSPECTIVE PURCHASER IS SUBJECT TO TAXATION AND THE TAX LEGISLATION OF THE RELEVANT ISSUER'S AND/OR THE GUARANTOR'S COUNTRY OF INCORPORATION OR COUNTRY OF RESIDENCE MAY HAVE AN IMPACT ON THE INCOME RECEIVED FROM THE NOTES.

PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISOR AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES.

11. SUBSCRIPTION AND SALE

11.1 UNDERWRITING

The Notes may be issued on a continuous basis to one or more of the following dealers: Banco Santander, S.A., Bank of China (Europe) S.A., Barclays Bank Ireland PLC, BNP PARIBAS, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, DBS Bank Ltd., Deutsche Bank Aktiengesellschaft, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Goldman Sachs Bank Europe SE, ING Bank N.V., J.P. Morgan SE, Landesbank Baden-Württemberg, Landesbank Hessen-Thüringen Girozentrale, Mizuho Bank Europe N.V., Skandinaviska Enskilda Banken AB (publ), SMBC Bank EU AG and UniCredit Bank GmbH and any additional dealer appointed under the Programme from time to time by the relevant Issuer, which appointment may be for a specific issue or on an ongoing basis (together the ***Dealers***).

The Issuers, the Guarantor and the Dealers have entered into a dealer agreement dated May 8, 2025 (the ***Dealer Agreement***) which sets out, *inter alia*, the arrangements under which Notes issued under the Programme may from time to time be agreed to be purchased by any one or more Dealers from the relevant Issuer. Any such agreement will, *inter alia*, contain provisions dealing with the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealer(s) and the commissions or any other agreed deductibles payable or allowable by the relevant Issuer in respect of such purchase.

Further, the Dealer Agreement provides for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. A subscription agreement prepared in relation to a particular Tranche of Notes will typically be dated on or about the date of the relevant Final Terms applicable to such Tranche of Notes.

11.2 METHOD FOR DETERMINING THE ISSUE PRICE AND THE PROCESS FOR ITS DISCLOSURE

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

11.3 SELLING RESTRICTIONS

11.3.1 General

Each Dealer has represented, warranted and undertaken and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes the Prospectus or any Final Terms or any related offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither any of the Issuers or the Guarantor, if applicable, nor any other Dealer shall have any responsibility therefor.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

11.3.2 European Economic Area

Unless the Final Terms with regard to the relevant Tranche of Notes specify the "*Prohibition of Sales to EEA Retail Investors*" as "*not applicable*", each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression ***retail investor*** means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (as amended, ***MiFID II***); or

(ii) a customer within the meaning of Directive 2016/97/EU (as amended), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression ***offer*** includes 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 for the Notes.

11.3.3 United Kingdom

Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specify the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

(a) the expression ***retail investor*** means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of article 2 of Regulation (EU) No 2017/565 as it forms part of UK law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK law by virtue of the EUWA; and

(b) the expression ***offer*** includes 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 for the Notes.

Other regulatory restrictions in the UK

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

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

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

11.3.4 United States

(a) With regard to each Tranche, each Dealer has acknowledged that the Notes have not been and will not be registered under the Securities Act, including Notes in bearer form that are subject to U.S. tax law requirements, and may not be offered or sold within the United States or to U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented, warranted and undertaken that it has not offered or sold, and will not offer or sell, any Note constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act (***Regulation S***). Accordingly, each Dealer further has represented, warranted and undertaken that neither it, nor its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note. Each Dealer has agreed that it will not offer, sell or deliver any Note in bearer form within the United States or to U.S. persons.

Each Dealer has represented, warranted and undertaken that neither it, nor its affiliates nor any persons acting on its or their behalf have offered or sold or will offer and sell the Notes by means of any form of general solicitation or general advertising (as those terms are used in Rule 502(c) under the Securities Act) in the United States. Each Dealer has further represented, warranted and undertaken that neither it, nor its affiliates nor any persons acting on its or their behalf have made or caused to be made or will make or cause to be made a public offering of the Notes in the United States.

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

In addition, until 40 days after the commencement of the offering, an offer or sale of any Note within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

(b) From and after the time that the Issuer notifies the Dealers in writing that it is no longer able to make the representations set out in the Dealer Agreement, each Dealer (i) acknowledges that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act; (ii) has represented, warranted and undertaken that it has not offered, sold or delivered any Notes, and will not offer, sell or deliver any Notes, (x) as part of its distribution at any time or (y) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in accordance with Rule 903 of Regulation S; and accordingly, (iii) further has represented, warranted and undertaken that neither it, nor its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirements of Regulation S; and (iv) also has agreed that, at or prior to confirmation of any sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Notes covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the ***Securities Act***), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903(b)(2)(iii) of Regulation S under the Securities Act (***Regulation S***) (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S. Terms used above have the meanings given to them by Regulation S."

(c) With regard to each Tranche, each Dealer has represented, warranted and undertaken that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of Notes, except with its affiliates or with the prior written consent of the relevant Issuer and the Guarantor, if applicable.

(d) Notes, other than Notes with an initial maturity of one year or less, will be issued in accordance with the provisions of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended) (the ***C Rules***), or in accordance with the provisions of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended) (the ***D Rules***), as specified in the Final Terms.

In addition, where the C Rules are specified in the Final Terms as being applicable to any Tranche of Notes, Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented, warranted and undertaken that it, in connection with the original issuance of Notes has not offered sold or delivered and will not offer, sell or deliver, directly or indirectly, Notes within the United States or its possessions in connection with their original issuance. Further, each Dealer has represented, warranted and undertaken in connection with the original issuance of Notes, that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either such Dealer or such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of Notes. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the C Rules and any successor provisions thereto.

In addition, in respect of Notes issued in accordance with the D Rules, each Dealer has represented, warranted and undertaken that:

(i) except to the extent permitted under the D Rules, (x) it has not offered or sold, and during the restricted period will not offer or sell, directly or indirectly, Notes to a person who is within the

United States or its possessions or to a United States person, and (y) such Dealer has not delivered and will not deliver within the United States or its possessions definitive Notes that are sold during the restricted period;

(ii) it has, and throughout the restricted period will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(iii) if such Dealer is a United States person, it is acquiring the Notes for purposes of resale in connection with their original issuance, and not for the purpose of resale directly or indirectly to a person within the United States or its possessions or to a United States person, and if such Dealer retains Notes for its own account, it will only do so in accordance with the requirements of the D Rules (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended);

(iv) with respect to each affiliate that acquires from such Dealer Notes for the purposes of offering or selling such Notes during the restricted period, such Dealer either (x) repeats and confirms the representations and agreements contained in sub-clauses (i), (ii) and (iii) of this paragraph (d) on such affiliate's behalf or (y) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-clauses (i), (ii) and (iii) of this paragraph (d); and

(v) it shall obtain for the benefit of the Issuer the representations, undertakings and agreements contained in subclauses (i), (ii), (iii) and (iv) of this paragraph (d) from any person other than its affiliate with whom it enters into a written contract (a ***Distributor*** as defined in the D Rules), for the offer or sale during the restricted period of the Notes.

In addition, each Note issued in accordance with the D Rules will bear the following legend:

"ANY UNITED STATES PERSON (AS DEFINED IN THE INTERNAL REVENUE CODE OF THE UNITED STATES OF AMERICA) WHO HOLDS THIS OBLIGATION, DIRECTLY OR INDIRECTLY, WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES OF AMERICA."

Terms used in this paragraph (d) have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and treasury regulations thereunder, including the D Rules and any successor provisions thereto.

Terms used in the paragraphs (a) – (c) have the meanings given to them by Regulation S.

11.3.5 Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than

(a) to an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the ***SFA***)) pursuant to section 274 of the SFA; or

(b) to an accredited investor (as defined in section 4A of the SFA) pursuant to and in accordance with the conditions specified in section 275 of the SFA.

11.3.6 Switzerland

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that with regard to Switzerland this Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes described therein. The Notes may not be publicly offered directly or indirectly, in, into or from Switzerland within the meaning of the Swiss Financial Services Act (***FinSA***) and will not be admitted to trading on any exchange or other trading venue in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to the FinSA and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

11.3.7 Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

If applicable, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

12. GENERAL INFORMATION

12.1 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Some or all of the Dealers and their affiliates are or may be in the future borrowers from or creditors of ZF AG, ZF Europe Finance B.V. and their affiliates. Proceeds from issues under the programme may be used to repay financial liabilities to Dealers.

In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for ZF AG, ZF Europe Finance B.V. and their affiliates in the ordinary course of business, and for which such Dealers have received or may receive customary fees, commissions, reimbursement of expenses and indemnification. Certain of the Dealers may also have positions, deals or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions for these transactions.

Moreover, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or Issuers' affiliates or Guarantor's or Guarantor's affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers and the Guarantor routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Interests of persons involved in a specific issue of Notes under the Programme will be set out in the relevant Final Terms.

12.2 AUTHORIZATION

The establishment of the Programme (including the granting of the Guarantee) and the issue of Notes thereunder have been duly authorized by ZF Friedrichshafen AG. ZF Friedrichshafen AG will obtain from time to time all necessary consents, approvals and authorizations in connection with the issue and performance of its obligations under the Notes.

The establishment of the Programme and the issue of Notes thereunder have been duly authorized by ZF Europe Finance B.V. ZF Europe Finance B.V. will obtain from time to time all necessary consents, approvals and authorizations in connection with the issue and performance of its obligations under the Notes.

12.3 CLEARING SYSTEMS

The Notes have been accepted for clearance through Clearstream Banking AG, Frankfurt am Main (Mergenthalerallee 61, 65760 Eschborn) (***CBF***), Clearstream Banking S.A. (42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg) (***CBL***) and Euroclear Bank SA/NV (Boulevard du Roi Albert II, 1210 Brussels, Belgium) (***Euroclear***). The appropriate German securities number (***WKN***) (if any), Common Code and ISIN for each Tranche of Notes allocated by CBF, CBL and Euroclear will be specified in the applicable Final Terms. If the Notes are to be cleared through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

12.4 PROGRAMME RATING

The Issuers had the Programme rated and received a rating of Ba2[1] with stable outlook from Moody's Deutschland GmbH (***Moody's***).

[1] According to the definition published by Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their affiliates and licensors on its homepage: "Obligations rated Ba are judged to be speculative and are subject to substantial credit risk." "Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 2 indicates a mid-range ranking of its generic rating category."

Moody's is established in the European Union and registered under the CRA Regulation.

12.5 DOCUMENTS AVAILABLE

So long as Notes are capable of being issued under this Prospectus, copies of the following documents will, when published, be available free of charge during normal business hours from the registered office of the relevant Issuer:

(i) the articles of association of the relevant Issuer; and

(ii) the documents incorporated by reference into this Prospectus (which may also be accessed by using the hyperlinks set out in the section "*13 Documents Incorporated by Reference*" below).

Electronic versions of the constitutional documents of the Issuers are also available as follows:

- the constitutional documents (with an English translation where applicable) of ZF AG (published in electronic form on the website of the Group (*www.zf.com*) and accessible on the following URL: "*https://www.zf.com/mobile/de/company/corporate_governance/corporate_governance_zf.html*");
- the constitutional documents (with an English translation where applicable) of ZF Europe Finance B.V. (published in electronic form on the website of the Group (*www.zf.com*) and accessible on the following URL:"*https://www.zf.com/master/media/corporate/m_zf_com/company/bonds_relations_/bons_and_rating/ZF-Europe-Finance-BV_Deed-of-Incorporation.pdf*").

Copies of the Guarantee (as set out in the section "*8 Guarantee*" above) may be obtained free of charge during normal business hours at the specified office of the Fiscal Agent.

ZF's "Green Finance Framework" can be accessed on the website of ZF (*https://www.zf.com/master/media/corporate/m_zf_com/company/bonds_relations_/sustainable_finance/zf_green_finance_framework/ZF_Green-Finance-Framework-2024.pdf*). Neither the Green Finance Framework nor the content of the website are incorporated by reference into or form part of this Prospectus.

This Prospectus, any document incorporated by reference and any supplement to this Prospectus will be published on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*) and available for at least ten years from the date of this Prospectus. In the case of Notes listed on the official list of the Luxembourg Stock Exchange, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*). In the case of Notes listed on any other stock exchange, the Final Terms will be displayed on the website of the Group (*www.zf.com*) under the section "Investor Relations" – "Capital Market Instruments & Rating".

Third Party Information

With respect to any information included herein and specified to be sourced from a third party (i) each Issuer confirms that any such information has been accurately reproduced and as far as each 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) neither any of the Issuers nor any Dealer has independently verified any such information and neither any of the Issuer nor any Dealer accepts any responsibility for the accuracy thereof.

13. DOCUMENTS INCORPORATED BY REFERENCE

The pages specified below of the following documents which have previously been published or are published simultaneously with this Prospectus and filed with the CSSF are incorporated by reference in, and form part of, this Prospectus:

ZF Friedrichshafen AG

The English language translation of the German language audited IFRSs consolidated financial statements of ZF Friedrichshafen AG as of and for the fiscal year ended December 31, 2024 and the independent auditor's report thereon as contained in the ZF Annual Report 2024 to which the page numbers refer:

Consolidated statement of profit or loss	page 108
Consolidated statement of comprehensive income	page 109
Consolidated statement of financial position	page 110
Consolidated statement of cash flows	page 111
Consolidated statement of changes in equity	page 112
Notes to the consolidated financial statements	pages 113 to 180
Independent auditor's report*	pages 182 to 184

The English language translation of the German language audited IFRSs consolidated financial statements of ZF Friedrichshafen AG as of and for the fiscal year ended December 31, 2023 and the independent auditor's report thereon as contained in the ZF Annual Report 2023 to which the page numbers refer:

Consolidated statement of profit or loss	page 103
Consolidated statement of comprehensive income	page 104
Consolidated statement of financial position	page 105
Consolidated statement of cash flows	page 106
Consolidated statement of changes in equity	page 107
Notes to the consolidated financial statements	pages 108 to 174
Independent auditor's report*	pages 176 to 178

** The independent auditor's report is an English language translation of the German language independent auditor's report (Bestätigungsvermerk des unabhängigen Abschlussprüfers) and refers to the respective consolidated financial statements as well as the respective group management report of ZF AG as a whole and not solely to the consolidated financial statements incorporated by reference into this Prospectus.*

ZF Europe Finance B.V.

The financial statements of ZF Europe Finance B.V. as of and for the fiscal year ended December 31, 2024 prepared in accordance with IFRSs and Part 9 of Book 2 of the Dutch Civil Code, and the independent auditor's report:[2]

Statement of Comprehensive Income	page 11
Statement of Financial Position Before Appropriation of the Result	pages 12 to 13
Statement of Changes in Equity	page 14
Statement of Cash Flows	page 15
Notes to the Financial Statements	pages 16 to 29
Independent auditor's report	pages 31 to 38

[2] Please note that page indications refer to the PDF page references of the document.

The financial statements of ZF Europe Finance B.V. as of and for the fiscal year ended December 31, 2023 prepared in accordance with IFRSs and Part 9 of Book 2 of the Dutch Civil Code, and the independent auditor's report: [3]

Statement of Comprehensive Income	page 11
Statement of Financial Position Before Appropriation of the Result	pages 12 to 13
Statement of Changes in Equity	page 14
Statement of Cash Flows	page 15
Notes to the Financial Statements	pages 16 to 30
Independent auditor's report	pages 31 to 38

Option IA (Terms and Conditions of Fixed Rate Notes issued prior to the date of this Prospectus)

Set of Terms and Conditions for Notes with fixed interest rates contained in the base prospectus dated April 21, 2023 of ZF Friedrichshafen AG, ZF Finance GmbH[4] and ZF Europe Finance B.V. (English and German language version)

–Terms and Conditions	– pages 84 to 138

Amendment to the set of Terms and Conditions for Notes with fixed interest rates contained in Supplement No. 1 dated September 5, 2023 to the base prospectus dated April 21, 2023 of ZF Friedrichshafen AG, ZF Finance GmbH[5] and ZF Europe Finance B.V. (English and German language version)

– Sub-items 4.1 and 4.2 of item 4. Changes relating to the section "6. TERMS AND CONDITIONS",	– page 13

Any information not incorporated by reference into this Prospectus but contained in one of the documents mentioned as source documents in the cross reference list above is either not relevant for the investors or covered elsewhere in this Prospectus.

Availability of documents incorporated by reference

The documents incorporated by reference are available on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*) and may be inspected and are available free of charge during normal business hours at the office of ZF Friedrichshafen AG, Löwentaler Straße 20, 88046 Friedrichshafen, Germany.

Electronic versions of the documents incorporated by reference can be accessed by using the following hyperlinks:

(1) English language translation of the German language audited IFRSs consolidated financial statements of ZF Friedrichshafen AG as of and for the fiscal year ended December 31, 2024 and the independent auditor's report thereon as contained in the ZF Annual Report 2024:
https://dl.luxse.com/dlp/1022e2daa252954b939d85523df9e3b4a2

(2) English language translation of the German language audited IFRSs consolidated financial statements of ZF Friedrichshafen AG as of and for the fiscal year ended December 31, 2023 and the independent auditor's report thereon as contained in the ZF Annual Report 2023:
https://dl.luxse.com/dlp/10f6205a82632943cfbada36d879a7cdf3

(3) ZF Europe Finance B.V. Annual financial statements as of and for the fiscal year ended December 31, 2024:
https://dl.luxse.com/dlp/10832c881aa7b04cce8ddceb9f08ebf6c6

[3] Please note that page indications refer to the PDF page references of the document.
[4] Please note that the ZF Finance GmbH is no longer an issuer under the Programme.
[5] Please note that the ZF Finance GmbH is no longer an issuer under the Programme.

(4) ZF Europe Finance B.V. Annual financial statements as of and for the fiscal year ended December 31, 2023:
https://dl.luxse.com/dlp/1052ae0811f7ee4b1fbda7c92a5621df48

(5) Set of Terms and Conditions for Notes with fixed interest rates contained on pages 84 to 138 of the base prospectus dated April 21, 2023 of ZF Friedrichshafen AG, ZF Finance GmbH and ZF Europe Finance B.V. (English and German language version):
https://dl.luxse.com/dlp/101b5bbf042440480b98bd39ba7009ddaf

(6) Amendment to the set of Terms and Conditions for Notes with fixed interest rates contained on page 13 of Supplement No. 1 dated September 5, 2023 to the base prospectus dated April 21, 2023 of ZF Friedrichshafen AG, ZF Finance GmbH and ZF Europe Finance B.V. (English and German language version):
https://dl.luxse.com/dlp/10b2bb4c15cfd54af988662b1ed12e694f

14. NAMES AND ADDRESSES

ISSUERS

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ZF Europe Finance B.V.
Nieuwe Herengracht 51
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GUARANTOR
(IN RESPECT OF NOTES ISSUED BY ZF EUROPE FINANCE B.V.)

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ARRANGER

Deutsche Bank Aktiengesellschaft
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Germany

DEALERS

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Ciudad Grupo Santander
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Ireland

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Neue Mainzer Strasse 52-58
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UniCredit Bank GmbH
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CALCULATION AGENT (IN RESPECT OF FLOATING RATE NOTES)

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LUXEMBOURG LISTING AGENT

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(**in respect of the financial information incorporated by reference in this Prospectus**)

To ZF Friedrichshafen AG

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
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70629 Stuttgart
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To ZF Europe Finance B.V.

For the financial statements until 2023

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For the financial Statements as of 2024

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