

RECOGNITION OF BAIL-IN AND OTHER RESOLUTION ACTIONS WITH REGARD TO CERTIFICATES OF DEPOSIT ISSUED BY NEW YORK BRANCH

(1) Agreement and Acknowledgment with Respect to the Exercise of the Bail-in Power and taking of Resolution Actions

Notwithstanding and to the exclusion of any other term of one or more certificates of deposit issued by Bayerische Landesbank, New York Branch, (“CD”) or any other agreements, arrangements, or understandings between Bayerische Landesbank (the “Issuer”) and any holder, by its acquisition of the CD, each holder (which, for the purposes of this clause, includes each holder of a beneficial interest in the CD), acknowledges and accepts that the Amounts Due arising under these CD may be subject to the exercise of the Bail-in Power and other Resolution Actions being taken by the Relevant Resolution Authority, and acknowledges, accepts, consents, and agrees to be bound by:

(a) the effect of the exercise of the Bail-in Power or other Resolution Actions by the Relevant Resolution Authority, that (without limitation) may include and result in any of the following, or some combination thereof:

- (i) the reduction of all, or a portion, of the Amounts Due;
- (ii) the conversion of all, or a portion, of the Amounts Due on the CD into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the CD;
- (iii) cancellation of the CD;
- (iv) the amendment or alteration of the maturity of the CD or amendment of the amount of interest payable on the CD, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(b) the variation of the terms of the CD, if necessary, to give effect to the exercise of the Bail-in Power by the Relevant Resolution Authority; and

(c) the effect of the exercise of such further resolution powers of the Relevant Resolution Authority referred to in Section 60a of the German Recovery and Resolution Act with respect to the Issuer or any of its group institutions which may, *inter alia*, include and result in a temporary suspension of contractual payment or delivery obligations of the Issuer and any of its group institutions, or a temporary suspension of security or termination rights, or other limitations or modifications of other contractual rights, of a holder of a CD, either in the Issuer’s resolution under the applicable European resolution laws or in the context of comparable bank resolution proceedings conducted in a country not a member state of the European Union where such proceedings are recognized in the European Union, or otherwise crisis prevention or crisis management measures (including the exercise of the Bail-in Power or the taking of other Resolution Action) that will not entitle the holder of a CD to exercise termination, suspension, adjustment, retention, netting, set-off, security or other contractual rights, acquire ownership or take control over the Issuer or any of its group institutions, or impair any rights of the Issuer.

(2) Definitions

For the purposes of this section “Recognition of Bail-in and Other Resolution Actions” and any reference thereto:

- (a) “Amounts Due” means the principal amount of or outstanding amount, together with any accrued but unpaid interest, due on the CD. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Bail-in Power by the Relevant Resolution Authority;
- (b) “Bail-in Power” means any write-down, conversion, transfer, modification or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Germany, relating to the transposition of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the “BRRD”) as amended from time to time, including but not limited to the German Act on Recovery and Resolution of Institutions and Financial Groups (*Sanierungs- und Abwicklungsgesetz*, the “German Recovery and Resolution Act”) as amended from time to time, or pursuant to, and in accordance with, Regulation (EU) No 806/2014 establishing uniform rules and uniform procedures for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and Single Resolution Fund (the “SRM Regulation”) as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which (i) any obligation of a Regulated Entity (or other affiliate of such Regulated Entity) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such Regulated Entity or any other person (or suspended for a temporary period); and (ii) any contractual right governing an obligation of a Regulated Entity may be deemed to have been exercised;
- (c) “Regulated Entity” means any entity referred to in Section 1 of the German Recovery and Resolution Act, or Article 2 of the SRM Regulation, as the case may be, in each case as amended from time to time, which includes certain credit institutions such as Bayerische Landesbank, investment firms, and certain of their parent or holding companies;
- (d) “Relevant Resolution Authority” means the German Federal Agency for Financial Market Stabilization (*Bundesanstalt für Finanzmarktstabilisierung*), the Single Resolution Board established pursuant to the SRM Regulation and defined therein, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in Power or taking any other Resolution Action from time to time;
- (e) “Resolution Action” means the application of a resolution tool or exercise of a resolution power referred to in Section 2 para. 3 No. 5 or Section 60a of the German Recovery and Resolution Act, including the exercise of the Bail-in Power.

(3) Payments of Amounts Due, Events of Default and Notices

No repayment or payment of Amounts Due on the CD will become due and payable or be paid after the exercise of any Bail-in Power or taking of any other Resolution Action by the Relevant Resolution Authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

Neither a reduction or cancellation, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in Power or other Resolution Action by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of the Bail-in Power or taking of other Resolution Action by the Relevant Resolution Authority with respect to the CD will be an event of default.

Upon the Relevant Resolution Authority taking a Resolution Action (in particular upon the exercise of the Bail-in Power) with respect to the CD, the Issuer shall provide a written notice to the relevant issuing and paying agent as soon as practicable regarding such taking of a Resolution Action (such as the exercise of the Bail-in Power) for purposes of notifying holders of such occurrence. Any delay or failure by the Issuer to give such notice shall not affect the validity or enforceability of the Resolution Action (or its exercise) nor its effect on the CD.

By its acquisition of the CD, each holder (including each beneficial holder), to the extent permitted by applicable law, will waive any and all claims, in law and/or in equity, against the relevant issuing and paying agent for, agrees not to initiate a suit against the relevant issuing and paying agent in respect of, and agrees that the relevant issuing and paying agent shall not be liable for, any action that the relevant issuing and paying agent takes, or abstains from taking, in any case in accordance with a Resolution Action (in particular the Bail-in Power) by the Relevant Resolution Authority taken with respect to the CD.