



HYPOTHEKENBANK IN ESSEN AG

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United States

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CORPORATE FINANCE

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**SUPPL**

Bank Details:  
Deutsche Bundesbank  
Filiale Essen  
Account No.: 360 096 10  
BIC Code: HYES DE 3E

Commerzbank AG  
Bank Code 360 400 39  
Account No.: 177 64 75

Your ref.	Your message	Our ref.	Extension	Essen
		UM	-486	22.06.06

**File No. 824883 – Frequent Issuer Status of  
Hypothekenbank in Essen AG**

Dear Sir or Madam,

Please find enclosed Essen Hyp's Annual Report 2005 (English version),  
the website as of May 31, 2006 (English version) and the S&P Press  
Release of Hypothekenbank in Essen AG as of May 16, 2006.  
We would be obliged if you could confirm that you have received this  
information by returning the enclosed answer form to us.

Thank you very much for your assistance.

Yours faithfully,

Hypothekenbank in Essen  
Aktiengesellschaft

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FINANCIAL

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CORPORATE FINANCE

# FINANCIAL INSTITUTIONS

## Hypothesenbank In Essen AG Long-Term Ratings Raised To 'A-'; Outlook Stable

**Credit Rating:**  
A-/Stable/A-2

**Primary Credit Analyst**  
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Financial Institutions Ratings  
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FIG\_Europe@  
standardandpoors.com

**Publication Date**  
May 16, 2006

### *Rationale*

On May 16, 2006, Standard & Poor's Ratings Services raised its long-term counterparty credit ratings on Germany-based public finance and mortgage lender Hypothesenbank in Essen AG (EssenHyp) to 'A-' from 'BBB+'. The 'A-2' short-term ratings were affirmed. The outlook is stable.

The rating action reflects Standard & Poor's increased confidence in EssenHyp's ability to master the current more challenging operating environment of increasing interest rates and potentially rising credit spread levels. It also reflects the expectation that the recent reduction in credit-loss provisions is sustainable, and that its real-estate loan book will be grown prudently.

The ratings reflect EssenHyp's sound stand-alone profile, underpinned by low credit risk, a very lean cost base, and its integration into Commerzbank AG (A-/Stable/A-2). Constraining factors are the focus on secondary market investments with public sector issuers, resulting in limited franchise value; low business and revenue diversification; and above-average interest rate risk.

In the past, EssenHyp has continued profitable growth in a very favorable market environment, steadily increasing the total of reported net income and net present value of its on- and off-balance-sheet positions, which is a comprehensive measure of performance for largely treasury-driven institutions like EssenHyp. In this respect, the environment is becoming more challenging with rising interest rates and a potential widening of credit spread levels. Therefore, the strong profit growth on a comprehensive basis is unlikely to

continue and some volatility, particularly at the turn of a cycle, is an intrinsic part of the business. However, EssenHyp should maintain overall sound earnings levels due to its improved ability to achieve generic margins at least in some areas of public sector finance and gradually improving earnings in mortgage lending. Its extremely strong cost-to-income ratio of less than 20%, and its overall strong asset quality support the expectation of sound earnings levels.

The bank's focus on secondary market investment provides limited franchise value, and is associated with high levels of market risk. Sound management, including an increasing integration into Commerzbank's risk-management, mitigates the risk. EssenHyp plans to grow mortgage lending gradually, which should have a stabilizing impact on income, as we expect that prudent underwriting policies will be maintained. The reduction in 2005 provisioning needs for the bank's domestic legacy mortgage portfolio should also be sustainable. Capitalization is only satisfactory despite sound regulatory ratios, as they do not include EssenHyp's market risk exposure. The sound performance of recent years, however, has improved its financial flexibility to absorb unexpected shocks.

***Outlook***

The stable outlook reflects Standard & Poor's expectation of continued sound earnings levels and strong cost efficiency at EssenHyp relative to its German mortgage bank peers. Significant losses from market-sensitive activities could have negative rating implications. Ratings would also be lowered in the case of lower ratings on its parent, which is currently not expected, reflected in the stable outlook on Commerzbank. Conversely, positive rating implications on Commerzbank would not automatically extend to those on EssenHyp—which is not considered a core subsidiary—unless EssenHyp demonstrates strong and sustainable earnings momentum by all dimensions throughout a rising interest rate and credit spread environment.

***Ratings List***

	To	From
Counterparty credit rating	A-/Stable/A-2	BBB+/Positive/A-2
CDs	A-/A-2	BBB+/A-2
CP	A-2	
Senior secured debt (Öffentliche Pfandbriefe)	AAA	
Senior unsecured debt	A-	BBB+
Subordinated debt	BBB+	BBB

NB: This list does not include all ratings affected.

Ratings information is available to subscribers of RatingsDirect, Standard & Poor's Web-based credit analysis system, at [www.ratingsdirect.com](http://www.ratingsdirect.com). It can also be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com); under Credit Ratings in the left navigation bar, select Find a Rating, then Credit Ratings Search. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office Hotline (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4017. Members of the media may also contact the European Press Office via e-mail on: [media\\_europe@standardandpoors.com](mailto:media_europe@standardandpoors.com).

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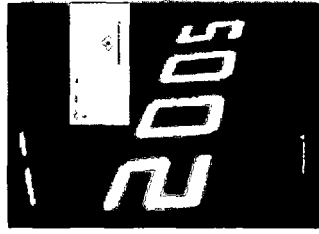


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Credit Research
Bonds & Notes
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**Hypothekebank in Essen AG Long-Term Ratings Raised to "A-"; Outlook Stable**

On June 1, 2006, Standard & Poor's Ratings Services raised its long-term counterparty credit ratings on Hypothekebank in Essen AG (Essen Hyp) to "A-" from "BBB+". The "A-2" short-term ratings were affirmed. The outlook is stable.

▷ **S&P Bank Credit Report as of June 1, 2006 (PDF)**



On March 23, 2006 Hypothekebank in Essen AG (Essen Hyp) presented its 2005 business results on the occasion of its traditional Annual Reception in the former coal mine Zeche Zollverein. The printed version of our Annual Report 2005 will be available in May 2006.

- ▷ **Download Annual Report 2005**
- ▷ **Press Release of Hypothekebank in Essen AG on the Annual Accounts 2005**

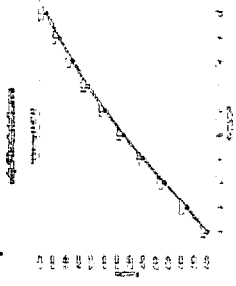
▷ **Impressions of our Annual Reception on March 23, 2006**

With effect from March 31, 2006 Hypothekebank in Essen AG publishes the information required in accordance with Section 28 of the German Pfandbrief Act (PfandBG). » **Read more...**

▷ **Press Release of Hypothekebank in Essen AG as of March 1, 2006. "New Head of Capital Markets at Hypothekebank in Essen**

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**Mortgage Pfandbrief rating upgraded**

On December 12, 2005, Moody's Investors Service upgraded the rating of Essen Hyp's mortgage Pfandbriefe from Aa2 to Aa1.  
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**Essen Hyp rating upgraded from A- to A**

On November 3, 2005 FitchRatings upgraded the bank's credit ratings to long-

**AG"**

- ▷ **Press Release of Hypothesenbank in Essen AG as of March 1, 2006. "New Member of the Board of Managing Directors of Hypothesenbank in Essen AG"**

**Keep up with the latest trends - Essen Hyp's 4<sup>th</sup> Capital Market Conference was a tremendous success**

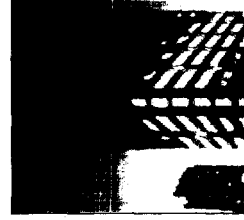


The 4<sup>th</sup> Capital Market Conference of Hypothesenbank in Essen AG, which took place at the Messe Essen on June 15 and 16, 2005, once again was the perfect venue for international financial experts to meet up and share their views. Some 500 analysts, academics and capital market players came to

Essen in order to discuss the latest trends on the capital and *Pfandbrief* markets with some 60 top-class panelists. » **Read more...**

- ▷ **Impressions of the 4th Capital Market Conference**
- ▷ **Videos and Download presentations**

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Whether office buildings or shopping malls - real estate financing has become a global business. Major first-class projects can only be put into practice at a profit if matching lenders are found on the international capital markets. Investors, developers and real estate companies look for banking partners who are familiar with the highly complex real estate business. » **more**

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**Public-sector Pfandbrief rating upgraded**

With effect from February 17, 2005 Moody's upgraded the rating of Essen Hyp's public-sector Pfandbriefe to Aaa. As a result Essen Hyp's public-sector Pfandbriefe are now rated triple A by all major rating agencies.  
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Essen Hyp: Key competence in capital market business

The focus of Essen Hyp's business is on lending to national and international public-sector debtors. In addition the bank gives long-term mortgage loans to finance both commercial property and private housing.

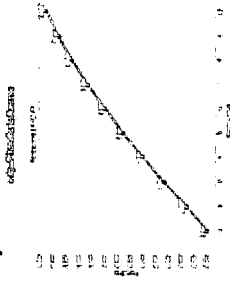
Accordingly we make great use of the international capital markets on which, besides the "traditional" *Pfandbrief*, more and more Jumbo and Global *Pfandbriefe* are being issued.

Essen Hyp is one of the largest issuers of Jumbo *Pfandbriefe* worldwide.

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Ratings	S & P	Moody's	Fitch Ratings
<i>Pfandbriefe</i>			
- public-sector	AAA	Aaa	AAA
- mortgage	not rated	Aa1	AAA
Long-term counterparty rating	A- (outlook stable)	A2 (outlook stable)	A (outlook stable)
Short-term counterparty rating	A-2	P-1	F1
Notes issued under the Debt Issuance Program			
- Senior Unsecured Debt	A-	A2	not rated
- Subordinated Debt	BBB+	A3	not rated
Commercial Paper Program	A-2	P-1	not rated
Financial Strength	not rated	C	B/C

## Rating Reports

- ▷ **Standard & Poor's** **Bank Credit Report as of June 1, 2006 and Research update as of July 12, 2005 and Rating analysis as of Aug 31, 2004.**
- ▷ **Moody's** **Rating Analysis as of December 1, 2005 and Press Release as of December 13, 2005.**
- ▷ **Fitch Ratings** **Rating Analysis as of November 3, 2005**

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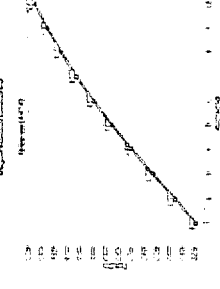
**Economic and Interest Rate Outlook G3 for the United States, Euro Area, Japan 2005/2006**

In line with my expectations and in defiance of all prophecies of doom U.S. economic growth is still running at high speed. During the first half of the year U.S. GDP grew by an annualized rate of 3.5%. Although the Federal Reserve has, in the meantime, raised its federal funds target rate from the 1% of June 2004 to 3,75% recently, the increase in U.S. yields that I predicted has still to come. The fact that there has been little reaction to this, is in my view caused by market participants' expectations that next year the Federal Reserve will stop its monetary tightening, keeping to a federal funds target rate level of 4.5% or even below. Since, in my opinion, the Federal Reserve will increase its key interest rate to 5% market participants will have to make an upwards adjustment to their very low money market expectations. This in turn will result in a noticeable yield increase on the U.S. bond market.

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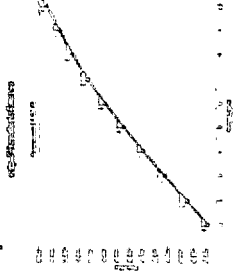
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[Interest Rate Forecast Meeting](#)

Here you find the results of our recent interest rate forecast meetings. Economists and portfolio managers from all over Germany participate in these meetings and discuss the future interest rate and economic development. The interest rate forecast meetings are held in the premises of Hypothekbank in Essen AG several times a year. If you have any comments or questions please call Dirk Chlench: +49 201 8135 442 or e-mail to: [Dirk.Chlench@essenhyp.com](mailto:Dirk.Chlench@essenhyp.com)

- ▷ [Forecast meeting Mar 7, 2006](#)
- ▷ [Forecast meeting Nov 2, 2005](#)
- ▷ [Forecast meeting Jul 5, 2005](#)
- ▷ [Forecast meeting Mar 22, 2005](#)
- ▷ [Forecast meeting Nov 4, 2004](#)
- ▷ [Forecast meeting Jul 7, 2004](#)
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### Interest Rate Forecast Meeting on March 7, 2006

Results of the consensus survey

Forecast for the ECB main refi rate  
 Status as of March 07, 2006: 2.50%

	2th quarter of 2006	3rd quarter of 2006	4th quarter of 2006	1st quarter of 2007	2nd quarter of 2007
Consensus Forecast	2.75%	2.78%	3.00%	3.00%	3.00%
Highest Forecast	2.75%	3.00%	3.25%	3.25%	3.50%
Lowest Forecast	2.50%	2.50%	2.75%	2.75%	2.50%

as of Quarter-end

Forecast for the 10-year Pfandbrief yields  
 Status as of March 07, 2006: 3.79%

	2th quarter of 2006	3rd quarter of 2006	4th quarter of 2006	1st quarter of 2007	2nd quarter of 2007
Consensus Forecast	3.88%	3.90%	3.90%	3.90%	3.90%
Highest Forecast	4.03%	4.20%	4.50%	4.60%	4.60%
Lowest Forecast	3.65%	3.50%	3.30%	3.20%	3.20%

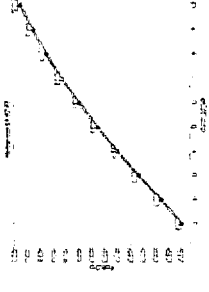
as of Quarter-end

#### Participants:

- Bernd Bäume**, Bankhaus Lampe KG, Düsseldorf
- Dr. Gunar Lietz**, IKB Deutsche Industriebank AG, Düsseldorf
- Erhard Rossig**, Bergbau-Berufsgenossenschaft, Bochum
- Dr. Thomas Geer**, Hypothekenbank in Essen AG, Essen (Treuhandär)

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### Essen Hyp rating upgraded from A- to A

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**Mario Kalupa**, Gallinat-Bank AG, Essen  
**Raimund Bitter**, Hypothekenbank in Essen AG, Essen  
**Dirk Chlench**, Hypothekenbank in Essen AG, Essen  
**Reinhold Knaus**, Fortis Investments, Düsseldorf  
**Dr. Bastian Hepperle**, WestLB AG, Düsseldorf  
**Matthias Preller**, Landesbank Rheinland-Pfalz, Mainz  
**Stefan Schilbe**, HSBC Trinkaus & Burkhardt, Düsseldorf  
**Jens-Uwe Wächter**, DekaBank, Frankfurt am Main  
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**Friedhelm Flick**, Hypothekenbank in Essen AG, Essen  
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**Dr. Frank Brocks**, Hypothekenbank in Essen AG, Essen  
**Dirk Schoppmeier**, Sparkasse Essen, Essen  
**Jan Bottermann**, National-Bank AG, Essen  
**Ralf Baczewski**, Westfalenbank AG, Bochum  
**Jens Remmers**, Hypothekenbank in Essen AG, Essen  
**Peter Hohfeld**, Institut für Makroökonomie und Konjunkturforschung, Düsseldorf  
**Dr. Christian Jasperneite**, Marcard, Stein & Co., Hamburg

If you have any comments or questions, please call:

Dirk Chlench, +49 201 8135 442 or mail to: [Dirk.Chlench@essenhyp.com](mailto:Dirk.Chlench@essenhyp.com)

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term A with stable outlook from A- and short-term F1 from F2.  
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**Public-sector Pfandbrief rating upgraded**  
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- [Ratings and Analyses](#)
- [Interest Rate Forecast G3](#)
- [Interest Rate Forecast Meeting](#)

» [Current Financial Topics Presentation](#)

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**Articles in 2005**

- ▷ **Germany: Job Relocation to Eastern Europe - Much Ado about Nothing!** May 2005
- ▷ **Germany: Will structural reforms push Germany into deflation?** January/February 2005

**Articles in 2004**

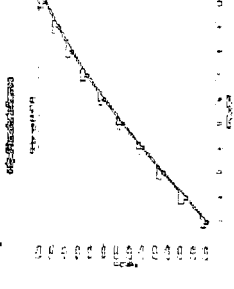
- ▷ **Germany: Irrational pessimism on bond markets? November/December 2004**
- ▷ **How global savings glut could undermine global economic expansion?** September/ October 2004
- ▷ **United States: the return of inflation is a real threat!** July/August 2004
- ▷ **Germany: Are economists now too bearish about Germany?** May/June 2004
- ▷ **Japan: Third Time Lucky!** March/April 2004
- ▷ **US-Dollar: It's the economy - stupid!** January/February 2004

**Articles in 2003**

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- ▷ **Japan hands the wooden spoon to Germany!** September/October 2003
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Last update  
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» [more](#)

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- ▷ **Germany: Glimmer of hope for an economic revival!** May/June 2003
- ▷ **Germany/Europe: Build up anti-cyclical stock positions** March/April 2003
- ▷ **USA: Will the U.S. economy regain its former strength or will economic growth again lose momentum in 2003?** January/February 2003

#### Articles in 2002

- ▷ **USA: The last ray of hope for the world economy** November/December, 2002
- ▷ **Germany: From powerhouse to poorhouse of Western Europe?** September/October, 2002
- ▷ **USA: The U.S. consumers are well alive and kicking!** July/August, 2002
- ▷ **World: Real interest rates and funding conditions** May/June 2002
- ▷ **Euro area: Markets will once again beat economists on ECB rates!** March/April 2002
- ▷ **USA: Don't bet on a double dip in the United States!** January/February 2002

#### Articles in 2001

- ▷ **World: Will the New Economy Continue?** November/December 2001
- ▷ **USA: We definitely continue to believe in a V-shaped recovery** September/Oktober 2001
- ▷ **Germany: Searching for the trough of the business cycle** July/August 2001
- ▷ **USA: The most recent rise in bond prices is just a pause in a bear market** May/June 2001
- ▷ **Japan: A brief review of the recent BOJ monetary policy** March/April 2001
- ▷ **USA: U.S. economic slowdown will only lead to a short-term dollar weakening** January/February 2001

#### Articles in 2000

- ▷ **Euro area: "New Economy" in the euro area will lead to a Euro rebound** November/December 2000
- ▷ **Japan: Will the Recovery result in an ongoing strong expansion?** September/October 2000
- ▷ **USA: A flexible labor market is the key issue for a bull market.** July/August 2000

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- ▷ **USA: Overvalued US stock market - so what?** March/April 2000
- ▷ **Germany: The return of inflation?** January/February 2000

#### Articles in 1999

- ▷ **World: The role of asset prices in US Fed and ESCB monetary policy** December 99
- ▷ **World: Some Thoughts on the 'liquidity' argument** November 1999
- ▷ **USA: Inflation-led interest rate fears - and rightly so?** October 1999
- ▷ **USA: Don't stay long in bonds** September 1999
- ▷ **Euro area: A review of the first six months of the euro currency** August 1999
- ▷ **USA: Do we get a bear market like in 1994 ?** July 1999
- ▷ **USA: Real Wages versus Unemployment Rate** June 1999
- ▷ **Germany: Consumer Price Inflation Forecast for 1999/2000** May 1999
- ▷ **Euro Area: Implied inflation expectations** April 1999
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## Current Financial and Economic Topics

May 11, 2005

Dirk Chlench +49 201 8135 442 - [dirk.chlench@essenhyp.com](mailto:dirk.chlench@essenhyp.com)

### Job Relocation to Eastern Europe - Much Ado about Nothing!

Since last year there has been much talk in the German media about job relocations to low-wage countries. It is a widely held belief that German companies can no longer compete with their new competitors from Eastern Europe because of the high wage level in Germany. It is true that in Poland, the Czech Republic and Hungary monthly wages in the manufacturing sector are four-fifths lower than the German level. Manufacturing workers' earnings in the more distant Baltic states are even only around one-tenth of their German colleagues. But my internet research, in which I simply put the word "Jobverlagerung" (job relocation) into the search engine, yielded more hits with statements by politicians complaining about job relocations, than examples of actual relocations. The most vocal politician is the conservative Edmund Stoiber, Minister President of Bavaria and chairman of the CSU, the Bavarian sister party of the CDU. He stated that Germany would lose 50,000 jobs a month. This adds up to a dramatic figure of 600,000 job losses a year. However, Angela Merkel, the CDU opposition leader, said that Germany would lose 1,000 jobs a day, which translates to the already markedly lower figure of 365,000 jobs a year. But in March 2005 the German Chamber of Commerce (DIHK) gave a projection, based on a current survey of more than 7,500 industrial companies about their foreign investment plans, that German companies will have relocated a total of 150,000 worksites to foreign countries by the end of 2007. Broken down to an annual figure, the alleged job reductions melt down to 50,000. Unfortunately the actual number of job relocations out of Germany is a conjecture given that no official data is collected. In the United States, however, where there have been extended mass layoffs, staff members of the U.S. Labor Department interview employers to find out the reason. The official statisticians registered that last year



the dismissal of 16,073 workers was associated with out-of-country relocations. This figure corresponds to only 3% of all separations in non-seasonal/non-vacation extended mass layoff events, according to the U.S. Labor Department. Against the backdrop of a U.S. civilian labor force of 148 million, the number of 16,073 laid-off workers appears, in macroeconomic terms, negligible. Nevertheless, each separate case is a blow for the individual, of course. Turning back to Germany, Elga Bartsch, Senior Economist at Morgan Stanley, suggests that job relocations over here are even less important than in the United States. She backs up her opinion with three arguments: "In Germany, we would expect IT-enabled offshoring in the service industry to play a more limited role than in the US due to language barriers. In addition, the smaller share of low-skilled, low paid jobs in Germany probably limits the offshoring potential further. In other words, a lot of the jobs that are being offshored in the United States don't even exist in Germany and probably never have. In addition, the costs of closing down a business in Germany and relocating it abroad tend to be higher than in the US because of stricter layoff regulations." In my view the only way to shed some more light on this hot issue is to analyze the balance of payments statistics. The few colleagues who also scratched their heads about the extent of job relocations have based their argumentation on the development of outward foreign direct investment (FDI). This FDI data can be easily downloaded from the Bundesbank's Homepage. However, German direct investment abroad is also available broken down further into the subgroups of equity capital, reinvested earnings, credit transactions of German direct investors and other investment. It will probably not change the whole story but in the context of job relocations it seems somehow better to monitor the development of the balance on equity capital investment. This is the difference between new capital investment and capital disinvestment. The Bundesbank also provides, on request, a country breakdown of the balance on equity capital investment abroad.

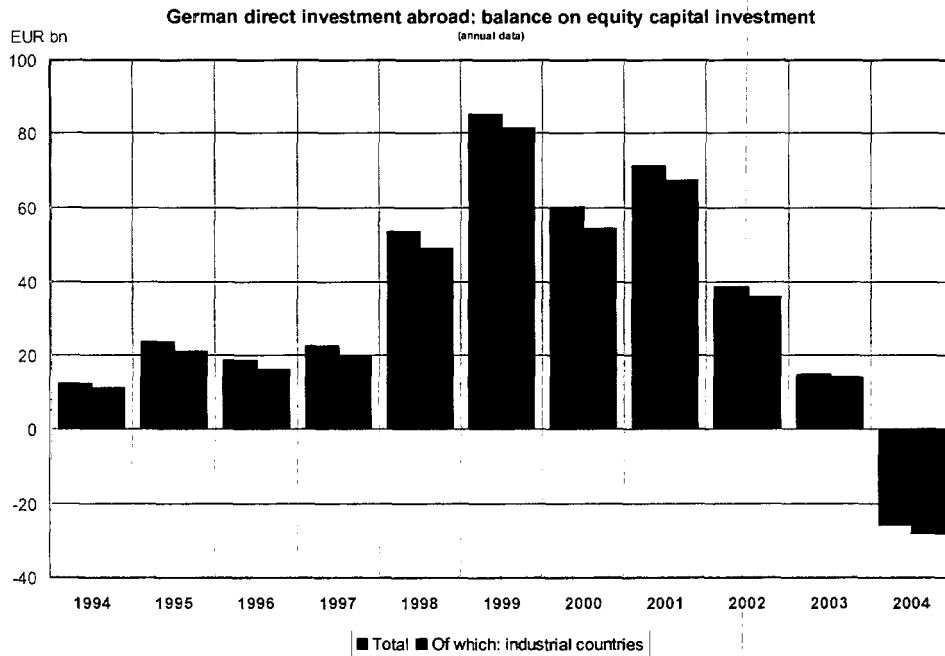


Chart 1 - Source: Deutsche Bundesbank

As can be seen in Chart 1, the balance on foreign equity capital investment has decreased markedly from the highs during the new economy era of the late nineties. Last year the balance between new investment and disinvestment was even negative. Hence, the often heard assertion that German companies would invest only abroad is completely false. German companies do not invest at all!

Chart 1 also shows that the balance on equity capital investment in total, and on equity capital investment in industrial countries are nearly congruent. This leads me to the assumption that foreign direct investment is driven by the intention of opening up new markets, rather than reducing overall production costs. However, my thesis is only roughly in line with the DIHK survey mentioned above. According to this survey around one third of the industrial companies questioned, indicated that the lowering of production costs is the aim of their foreign investment plans. Two years ago the corresponding ratio stood at 42 percent. But my thesis is, in turn, backed by the fact that the balance on equity capital investment in low-wage countries, such as the East European EU member states, is very low if compared to the total level of the balance

on equity capital investment or domestic fixed investment. For example, in 2004 German companies invested on balance just EUR 1.4 billion in the East European EU member states. This compares to domestic fixed investment of around EUR 380 billion during the same time period.

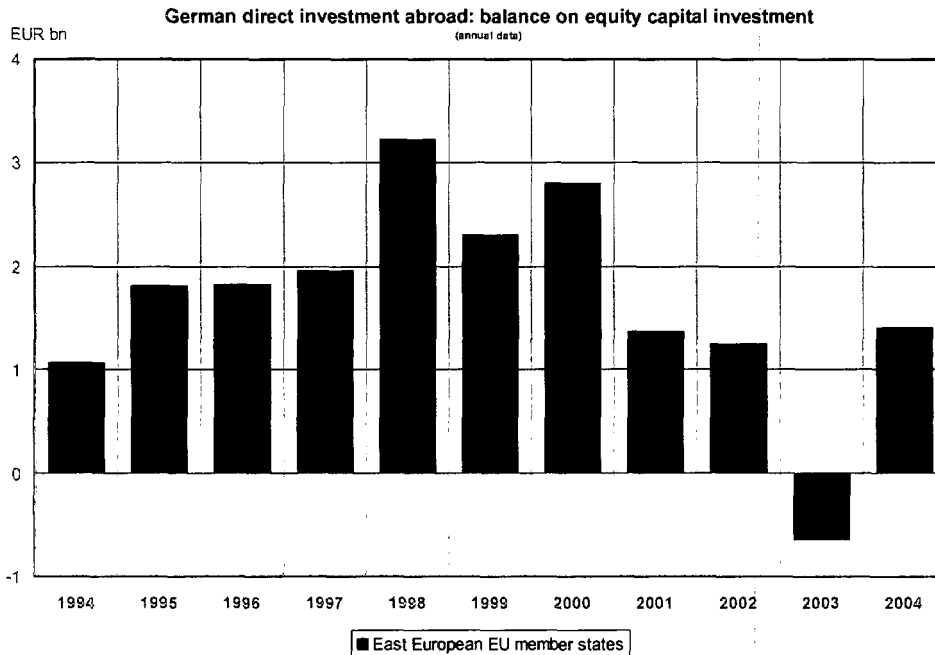


Chart 2 - Sources: Deutsche Bundesbank, own calculations

It is quite clear that all the talk about alleged job relocation to Eastern Europe is in employers' ostensible interest. Their bargaining power has got a lift by the possibility of credible threats to relocate production to low-wage countries. The most prominent example was the successful threat by the electro-giant Siemens to relocate their cellular phone production from establishments in Bocholt and Kamp-Lintfort (North-Rhine Westphalia) to Hungary. The engineering union (IG Metall) saw no other choice than to accept an increase of the standard weekly working hours from 35 to 40, without any compensatory payments. Even more, the Siemens management also pushed through cuts in vacation and Christmas allowances.



A more recent example again comes from Siemens AG. Jobs at its subsidiary Siemens VDO automotive AG, a supplier of electronics and electrical products to the automobile industry, are to be relocated from Würzburg (Bavaria), to the Czech Republic. Unless, say the management, employees accept severe cost cutting measures. An extension of standard weekly hours from 35 to 40, without any compensation, and the abolishment of paid breaks and shift premiums is on the management's wish list. Turning back to a macro perspective, the described dwindling power of employees is reflected in overall waning pay rises. In the third and fourth quarter of last year, wages and salaries per employee even decreased in year-on-year-terms.

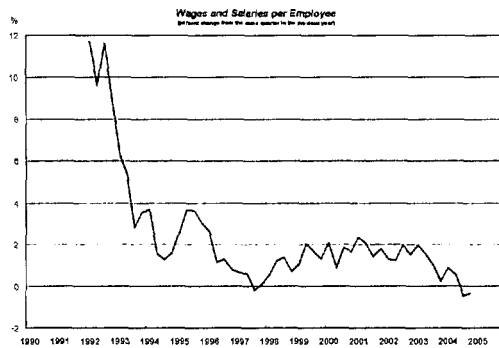


Chart 3 - Source: Deutsche Bundesbank

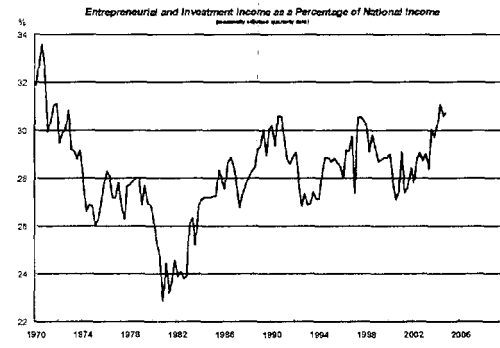


Chart 4 - Source: Deutsche Bundesbank

The social democrat-led German Federal Government has tried to put Germany back on its feet solely by supply-side measures, like the so called Hartz IV labor market reform. This has so far been without any success, if not only the increase in entrepreneurial and investment income, but in overall national income is taken as a yardstick. Even though both the business elite and the opposition parties, the conservative CDU and the liberal FDP, admit that the implemented reforms are a first step in the right direction, they both call for more and far-reaching measures. However, Prof. Bofinger, an economic adviser to the Federal Government and perhaps successor of the ECB's chief economist Otmar Issing, has compared this general attitude among the business elite with a doctor who notices that the prescribed drug does not help his patient, but instead of questioning the diagnosis simply increases the dose. Nevertheless, most business leaders





and economists hold the view that the economic malaise in Germany has to become even more severe before the time is ripe for radical Thatcher-like structural reforms. But maybe business leaders have already aimed too high. More and more workers deplore the fact that their wages have been stagnating for years whereas the compensation for top managers is soaring. Hence, from the workers' point of view, Franz Müntefering's recent capitalism criticism hit the nail on the head. The chairman of Germany's Social Democrat Party (SPD) compared investors seeking short-term gains to the biblical plague of locusts: "Financial investors remain anonymous. They have no face, they descend upon companies like locusts, destroy everything and move on". Furthermore, the chairman criticized the Deutsche Bank's CEO Josef Ackermann, meanwhile the SPD's favorite enemy, for dismissing 6,000 employees, despite having made "exorbitant profits". His party deputy Ute Vogt even urged consumers to boycott companies which have greatly reduced their staff. What's more, calls for statutory minimum wages are becoming ever louder. Several polls show that a large majority of Germans share the view of Mr. Müntefering. This is another sign indicating that the German people are fair weather fans of a free market economy. Roger Köppel, journalist of the Swiss magazine "Weltwoche" got the same impression two years ago: "The Germans are anti-capitalists at heart. They can't be and they don't want to be [capitalists]. Their aspirations rest with the fraternity, with the collective." Therefore the government's strategy to implement structural reforms in an economic downturn without support from a countercyclical economic policy is quite dangerous. The public mood in a severe economic crisis might not change in favor of Thatcher-like reforms, but be to seek salvation in some kind of socialism. As it can be excluded that employers will increase hourly wages in order to lift workers' purchasing power, the ECB should take action to stimulate demand and, thus, help to calm the heated political debate in Germany. Therefore I share the view of Mr. Clement, Secretary of Commerce, who recently indirectly called on the ECB to cut its key interest rates. My bet remains that the ECB will lower its main refinancing rate by 50 basis points to 1.5% in the 1st quarter of 2006.

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- [Ratings and Analyses](#)
- [Interest Rate Forecast G3](#)
- [Interest Rate Forecast Meeting](#)
- [Current Financial Topics](#)
- » [Presentation](#)

[Credit Research](#)

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate Finance](#)

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**Presentation**

The entry of the Jumbo into the international capital markets gave the German mortgage banks the opportunity of winning new investors for the German *Pfandbrief* at an international level. Essen Hyp reacted promptly and focussed its internationally targeted funding strategies on investors' needs.

Since its first international roadshow in October 1997 which went from London, via Asia, to the United States, Essen Hyp has been presenting itself and its products on a regular basis to international investors in all important financial and commercial centers of the world.

We will continue to commit ourselves to the task of intensifying our close contact with national and international investors.

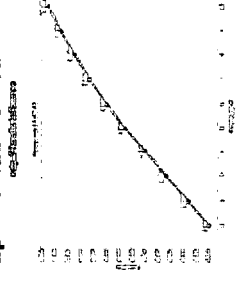
During the roadshows investors have been asking many questions on, for example, the German legal system, the distinction between the German *Pfandbrief* and other products, the quality of our cover fund, etc. Information on these and other related issues can be found in our **Glossary**.

The power point presentation is available for **download here**.

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## Credit Research

Overview of updates

Subject	Update period	Last update
<b>Pfandbrief Act</b>		
Section 28 (1) (1-3) PfandBG	quarterly	03.2006
Section 28 (2) (1a) PfandBG	quarterly	03.2006
Section 28 (2) (1b,c) PfandBG	quarterly	03.2006
Section 28 (2) (2) PfandBG	quarterly	03.2006
Section 28 (3) (1) PfandBG	quarterly	03.2006
Section 28 (3) (2) PfandBG	quarterly	03.2006
<b>Public-sector loans</b>		
Breakdown of public-sector cover pool		
by rating	monthly	05.2006
by borrowers and regions	monthly	05.2006
by countries	monthly	05.2006
by risk weighting	monthly	05.2006
Cover pool at market value		
Development/ Stress scenario	monthly	05.2006
Surplus cover	monthly	05.2006
Breakdown of new lending commitments		
by rating	monthly	05.2006
by borrowers and regions	monthly	05.2006
by countries	monthly	05.2006

by risk weighting	monthly	05.2006
<b>Non-cover Loans</b>		
Breakdown of non-cover loans		
by rating	monthly	05.2006
by borrowers and regions	monthly	05.2006
by countries	monthly	05.2006
by risk weighting	monthly	05.2006
Breakdown of new lending commitments		
by rating	monthly	05.2006
by borrowers and regions	monthly	05.2006
by countries	monthly	05.2006
by risk weighting	monthly	05.2006
<b>Mortgage Loans</b>		
Breakdown of mortgage portfolio		
domestic loans by type of property, region and LTV	quarterly	03.2006
foreign loans by type of property, country and LTV	quarterly	03.2006
<b>Cover pool at market value</b>		
Development/ Stress scenario	monthly	05.2006
Surplus cover	monthly	05.2006
<b>Breakdown of non-cover loans</b>		
Loans with a LTV > 60%	monthly	05.2006
<b>Breakdown of new lending commitments</b>		
domestic loans by type of property, region and LTV	quarterly	03.2006

foreign loans by type of property,  
country and LTV

quarterly

03.2006

#### **Derivatives**

Counterparty ratings

monthly

05.2006

Yield curve distribution

monthly

05.2006

#### **Risk Management**

Value-at-risk

monthly

05.2006

Worst-case scenario

monthly

05.2006

Grundsatz I

monthly

05.2006

Grundsatz II

monthly

05.2006

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



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Home
Investor Relations
<b>Credit Research</b>
Bonds & Notes
Financial Reports
International Real Estate
Finance
Company
Info Pool
Contact

## Public-sector loans

Breakdown of cover pool by rating

S & P / Moody's / Fitch

31.05.2006

Should the rating agencies come to different rating results, the worst rating is taken into account.

by rating	in Euro m	in %
AAA / Aaa / AAA	20,220	30.85
AA+ / Aa1 / AA+	5,276	8.05
AA / Aa2 / AA	3,953	6.03
AA- / Aa3 / AA-	16,874	25.74
A+ / A1 / A+	3,019	4.61
A / A2 / A	2,909	4.44
A- / A3 / A-	1,020	1.56
BBB+ / Baa1 / BBB+	786	1.20
BBB / Baa2 / BBB	0	0.00
Without rating *	11,485	17.52
<b>Total</b>	<b>65,542</b>	<b>100.00</b>

## \* - Without rating

	in Euro m	in %
Public-sector banks and saving banks	6,033	9.20
Cities, municipalities, non-profit organizations and loans guaranteed by municipal authorities	4,633	7.07

Loans within the EU (public-sector banks, EU member states,

regional governments, cities and municipalities). Loans guaranteed by EU member states and EU institutions.	510	0.78
Others	309	0.47
<b>Total</b>	<b>11,485</b>	<b>17.52</b>

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**Public-sector loans**

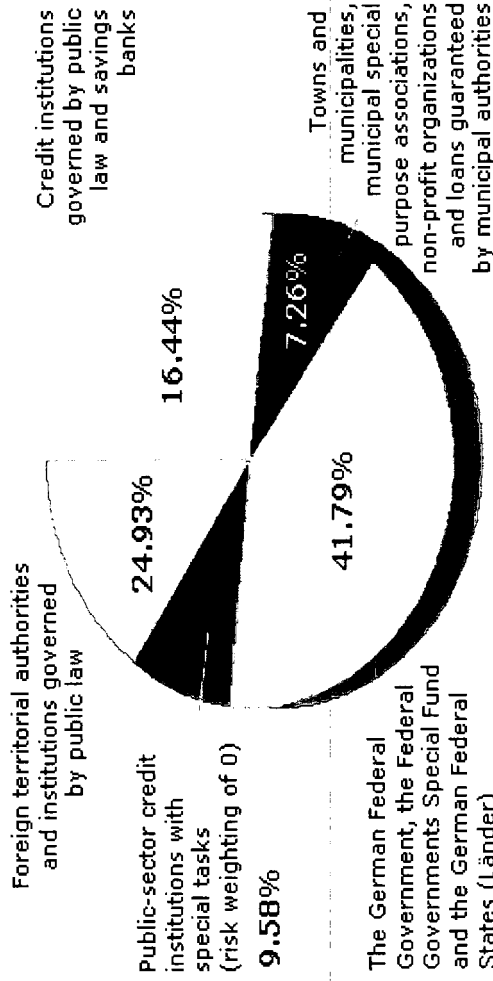
Breakdown of cover pool by borrowers and regions

Cover fund total: Euro 65,542m

Information as permitted by banking confidentiality.

31.05.2006

**Please click on the different parts of the pie chart for further information.**



**by borrowers**

	in Euro	in %
The German Federal Government, the Federal Governments Special Fund and the German Federal States (Länder)	27,389	41.79

Towns and municipalities, municipal special purpose associations,

non-profit organizations and loans guaranteed by municipal authorities	4,758	7.26
Public-sector credit institutions with special tasks (risk weighting of 0)	6,278	9.58
Credit institutions governed by public law and savings banks	10,777	16.44
Foreign territorial authorities and institutions governed by public law	16,340	24.93
<b>Total</b>	<b>65,542</b>	<b>100.00</b>

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### The German Federal Government, the Federal Government's Special Fund and the German Federal States (Länder)

in Euro m

Federal Government of Germany	197
Federal Government's Special Fund	1,806
Laender (individual German Federal States)	25,386
<b>Total</b>	<b>27,389</b>

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[Credit Research](#)

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

## Public-sector loans

Breakdown of cover pool by borrowers and regions

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by banking confidentiality.

31.05.2006

### Towns and municipalities, municipal special purpose associations, non-profit organizations and loans guaranteed by municipal authorities

in Euro m

Baden-Wuerttemberg	224
Bavaria	252
Berlin	7
Brandenburg	1
Bremen	131
Hamburg	600
Hesse	182
Lower Saxony	1,064
Mecklenburg-Western Pomerania	26
North Rhine-Westphalia	1,427
Rhineland-Palatinate	134
Saarland	86
Saxony	1
Saxony-Anhalt	1
Schleswig-Holstein	595
Thuringia	27
<b>Total</b>	<b>4,758</b>

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- [Financial Reports](#)
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- [Info Pool](#)
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**Public-sector loans**

Breakdown of cover pool by borrowers and regions

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31.05.2006

**Public-sector credit institutions with special tasks (risk weighting of 0)**

special public sector banks (solva 0)

**in Euro m**

6,278

**Total**

**6,278**

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


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Breakdown of cover pool by borrowers and regions

Cover fund total: Euro 65,542m

Information as permitted by banking confidentiality.

31.05.2006

### Credit institutions governed by public law and savings banks

Public-sector banks/ financial institution  
in Euro m  
5,380

### Savings banks in

Baden-Wuerttemberg	1,299
Bavaria	55
Bremen	0
Hamburg	80
Hesse	172
Lower Saxony	525
Mecklenburg-Western Pomerania	55
North Rhine-Westphalia	2,685
Rhineland-Palatinate	101
Saarland	0
Saxony	0
Schleswig-Holstein	410
Mortgage loans guaranteed by the public-sector	15
<b>Total</b>	<b>10,777</b>

[Back](#) | 
 [Glossary](#) | 
 [Print](#) | 
 [Sitemap](#) | 
 [Imprint](#) | 
 [Legal Disclaimer](#)






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<a href="#">Home</a>
<a href="#">Investor Relations</a>
<b>Credit Research</b>
<a href="#">Bonds &amp; Notes</a>
<a href="#">Financial Reports</a>
<a href="#">International Real Estate Finance</a>
<a href="#">Company</a>
<a href="#">Info Pool</a>
<a href="#">Contact</a>

## Public-sector loans

Breakdown of cover pool by borrowers and regions

Cover fund total: Euro 65,542m

Information as permitted by banking confidentiality.

31.05.2006

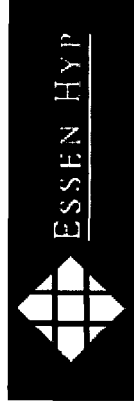
### Loans within EU

	in Euro m
Public-sector banks in EU member states	4,583
EU member states	5,342
EU regional governments	2,416
EU member states, cities and municipalities	510
Loans guaranteed by EU member states	1,124
EU institutions	25
<b>Subtotal</b>	<b>14,000</b>

### Other Foreign Loans

	in Euro m
Public-sector banks	399
States	84
Regional governments	1,028
cities and municipalities	387
Loans guaranteed by foreign states	442
Subtotal	2,340
<b>Total</b>	<b>16,340</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans

### Breakdown of cover pool by countries

by countries	in Euro m	in %
Austria	1,461	2.23
Belgium	119	0.18
Canada	734	1.12
Cyprus	99	0.15
Czech Republic	300	0.46
Denmark	176	0.27
Finland	125	0.19
France	855	1.30
Germany	49,202	75.07
Great Britain	499	0.76
Greece	813	1.24
Hungary	595	0.91
Iceland	194	0.30
Ireland	165	0.25
Italy	2,360	3.60
Latvia	45	0.07
Lithuania	39	0.06
Luxembourg	145	0.22
Norway	95	0.14
Poland	192	0.29
Portugal	1,675	2.56
Slovak Republic	288	0.44

31.05.2006

Slovenia	54	0.08
Spain	3,340	5.10
Sweden	210	0.32
Switzerland	245	0.37
The Netherlands	451	0.69
The United States	1,046	1.60
Others	20	0.03
<b>Total</b>	<b>65,542</b>	<b>100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



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[Home](#)

[Investor Relations](#)

**Credit Research**

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

**Public-sector loans**

Breakdown of cover pool by risk weighting

	in Euro m	in %	31.05.2006
<b>Risk weighting</b>			
0%	46,667	71.20	
10%	1,159	1.77	
20%	17,716	27.03	
100%	0	0.00	
<b>Total</b>	<b>65,542</b>	<b>100.00</b>	

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans - Cover pool at market value

Development / Stress scenario

Date	Market value (cover pool)	Market value (public-sector Pfandbriefe)	Market value surplus cover in € m	Surplus cover in %	Market value (dynamic approach)		Market value (dynamic approach)	
					Surplus cover in € m in the case of rising yields	Surplus cover in % in the case of rising yields	Surplus cover in € m in the case of falling yields	Surplus cover in % in the case of falling yields
31.05.2006	67,141.31	62,666.43	4,474.88	7.14	3,538.58	5.80	5,597.92	8.70
30.04.2006	65,277.48	61,164.14	4,113.34	6.73	3,275.96	5.51	5,057.34	8.03
31.03.2006	64,298.86	59,816.66	4,482.20	7.49	3,662.65	6.29	5,311.48	8.64
28.02.2006	64,272.59	58,886.18	5,386.41	9.15	4,501.30	7.85	6,060.05	10.02
31.01.2006	63,576.51	59,431.23	4,145.28	6.97	3,241.77	5.59	4,739.66	7.77
31.12.2005	64,464.41	60,036.96	4,609.46	7.68	3,504.74	5.98	5,416.91	8.80
30.11.2005	62,430.51	58,031.65	4,398.87	7.58	3,311.46	5.85	5,498.20	9.24
31.10.2005	61,530.28	56,677.61	4,852.67	8.56	3,780.43	6.84	5,952.40	10.24
30.09.2005	61,710.08	57,311.84	4,398.23	7.67	3,265.64	5.84	5,564.87	9.46
31.08.2005	59,821.89	54,513.21	5,308.68	9.74	4,180.94	7.86	6,407.15	11.46
31.07.2005	56,684.00	51,899.00	4,784.00	9.22	3,868.00	7.59	5,586.00	10.57
30.06.2005	58,357.09	53,981.53	4,375.56	8.11	3,328.38	6.27	5,287.48	9.64
31.05.2005	58,377.81	53,620.74	4,757.07	8.87	3,792.13	7.19	5,565.80	10.20
30.04.2005	57,030.69	52,985.78	4,044.91	7.63	3,116.60	5.99	4,831.23	8.95
31.03.2005	56,097.38	52,331.95	3,765.43	7.20	2,833.37	5.54	4,632.64	8.65
28.02.2005	54,733.21	50,224.00	4,509.21	8.98	3,602.76	7.34	5,314.14	10.33
31.01.2005	56,528.60	51,756.35	4,772.24	9.22	3,772.96	7.46	5,655.67	10.67

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans

Breakdown of cover pool

Surplus cover

all amounts in Euro m

Date	Public-sector Pfandbriefe outstanding	Cover	Surplus cover	Surplus in % cover	Bonds and loans not yet serving as cover *	in %	Total in %
31/05/2006	63,572.00	65,542.00	1,970.00	3.1	398.40	0.6	3.7
30/04/2006	62,103.00	63,822.00	1,719.00	2.8	536.60	0.9	3.7
31/03/2006	60,439.00	62,494.00	2,055.00	3.4	357.80	0.6	4.0
28/02/2006	59,013.00	61,687.00	2,674.00	4.5	281.80	0.5	5.0
31/01/2006	59,483.00	60,996.00	1,513.00	2.5	486.30	0.8	3.3
31/12/2005	59,759.93	61,340.01	1,580.08	2.6	250.00	0.4	3.0
30/11/2005	57,693.00	59,110.10	1,417.10	2.5	548.10	1.0	3.5
31/10/2005	55,732.50	57,957.39	2,224.89	4.0	661.20	1.2	5.2
30/09/2005	55,853.90	57,387.30	1,533.40	2.7	583.60	1.0	3.7
31/08/2005	53,309.56	55,481.34	2,171.78	4.1	676.9	1.3	5.4
31/07/2005	50,685.58	52,655.52	1,969.94	3.9	1,332.70	2.6	6.5
30/06/2005	52,526.11	53,660.77	1,134.66	2.2	304.45	0.6	2.8
31/05/2005	52,313.45	53,968.26	1,654.81	3.2	615.90	1.2	4.4
30/04/2005	51,789.87	53,005.58	1,215.71	2.3	801.10	1.5	3.8
31/03/2005	51,454.69	52,631.75	1,177.06	2.3	797.80	1.6	3.9
28/02/2005	49,243.87	51,269.03	2,025.16	4.1	535.80	1.1	5.2
31/01/2005	50,603.72	52,399.46	1,795.74	3.5	717.60	1.4	4.9

\* For technical reasons (e.g. due to the absence of certificates).  
These bonds and loans are usually included in the cover pool within a few weeks.

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)




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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans - Breakdown of new lending commitments

by rating

S &amp; P/ Moody's / Fitch 31.05.2006

Should the rating agencies come to different rating results, the worst rating is taken into account.

### by rating

	in Euro m	in %
AAA / Aaa / AAA	4,202	29.53
AA+ / Aa1 / AA+	1,235	8.68
AA / Aa2 / AA	526	3.70
AA- / Aa3 / AA-	3,571	25.10
A+ / A1 / A+	1,226	8.62
A / A2 / A	1,809	12.71
A- / A3 / A-	555	3.90
BBB+ / Baa1 / BBB+	114	0.80
BBB / Baa2 / BBB	0	0.00
Without rating *	990	6.96
<b>Total</b>	<b>14,228</b>	<b>100.00</b>

### \* - Without rating

	in Euro m	in %
Public-sector banks and saving banks	486	3.42
Cities, municipalities, non-profit organizations and loans guaranteed by municipal authorities	504	3.54
Loans within the EU (Public-sector banks, EU member states, regional governments, cities and municipalities). Loans guaranteed by EU member states and EU institutions.	0	0.00
Others	0	0.00

**Total** **990** **6.96**

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



- [Home](#)
- [Investor Relations](#)
- [Credit Research](#)
- [Bonds & Notes](#)
- [Financial Reports](#)
- [International Real Estate](#)
- [Finance](#)
- [Company](#)
- [Info Pool](#)
- [Contact](#)

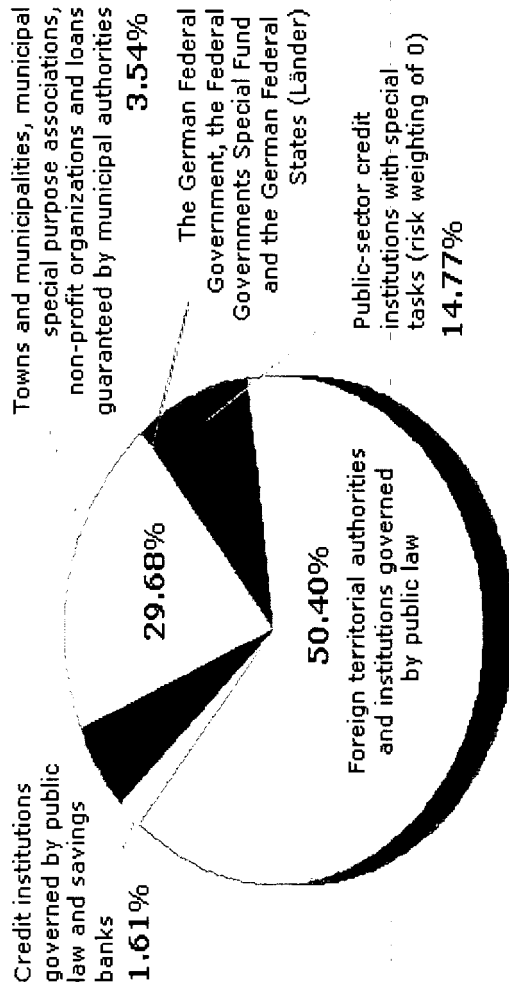
**Public-sector loans - Breakdown of new lending commitments**

by borrowers and regions

Information as permitted by banking confidentiality.

31.05.2006

Please click on the different parts of the pie chart for further information.



**by borrowers**

	in Euro	in %
The German Federal Government, the Federal Government's Special Fund and the German Federal States (Länder)	4,223	29.68
Towns and municipalities, municipal special purpose associations, non-profit organizations and loans guaranteed by municipal authorities	503	3.54

Public-sector credit institutions with special tasks (risk weighting of 0)	2,101	14.77
Credit institutions governed by public law and savings banks	229	1.61
Foreign territorial authorities and institutions governed by public law	7,172	50.40
<b>Total</b>	<b>14,228</b>	<b>100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans - Breakdown of new lending commitments

by borrowers and regions

Information as permitted  
by banking confidentiality.

31.05.2006

<b>The German Federal Government, the Federal Government's Special Fund and the German Federal States (Länder)</b>	<b>in Euro m</b>
Federal Government of Germany	0
Federal Government's Special Fund	935
Laender (individual German Federal States)	3,288
<b>Total</b>	<b>4,223</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans - Breakdown of new lending commitments

by borrowers and regions

Information as permitted  
by banking confidentiality.

31.05.2006

### Towns and municipalities, municipal special purpose associations, non-profit organizations and loans guaranteed by municipal authorities

in Euro m

Baden-Wuerttemberg	11
Bavaria	0
Berlin	0
Brandenburg	1
Bremen	0
Hamburg	20
Hesse	0
Lower Saxony	100
Mecklenburg-Western Pomerania	0
North Rhine-Westphalia	17
Rhineland-Palatinate	1
Saarland	0
Saxony	0
Saxony-Anhalt	0
Schleswig-Holstein	353
Thuringia	0
<b>Total</b>	<b>503</b>

[Back](#) | 
 [Glossary](#) | 
 [Print](#) | 
 [Sitemap](#) | 
 [Imprint](#) | 
 [Legal Disclaimer](#)



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[Home](#)

[Investor Relations](#)

[Credit Research](#)

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

## Public-sector loans - Breakdown of new lending commitments

by borrowers and regions

Information as permitted  
by banking confidentiality.

31.05.2006

### Public-sector credit institutions with special tasks (risk weighting of 0)

special public sector banks ( solva 0)

2,101

**2,101**

**Total**

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans - Breakdown of new lending commitments

by borrowers and regions

Information as permitted  
by banking confidentiality.

31.05.2006

### Credit institutions governed by public law and savings banks

Public-sector banks and Private banks/ financial institution

in Euro m  
189

#### Savings banks in

in Euro m

Baden-Wuerttemberg

0

Bavaria

0

Hamburg

0

Hesse

0

Lower Saxony

0

Mecklenburg-Western Pomerania

0

North Rhine-Westphalia

25

Rhineland-Palatinate

0

Saxony

0

Schleswig-Holstein

15

**Total**

**229**

[Back](#) | 
 [Glossary](#) | 
 [Print](#) | 
 [Sitemap](#) | 
 [Imprint](#) | 
 [Legal Disclaimer](#)




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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans - Breakdown of new lending commitments

by borrowers and regions

Information as permitted  
by banking confidentiality.

31.05.2006

### Loans within EU

Public-sector banks in EU member states

EU member states

EU regional governments

EU member states, cities and municipalities

Loans guaranteed by EU member states

EU institutions

**Subtotal**

**in Euro m**  
3,130  
1,620  
583  
182  
150  
24  
**5,689**

### Other Foreign Loans

Public-sector banks

States

Regional governments

Foreign member states, cities and municipalities

Loans guaranteed by foreign states

Subtotal

**Total**

**in Euro m**  
450  
0  
322  
492  
219  
1,483  
**7,172**

[Back](#) | 
 [Glossary](#) | 
 [Print](#) | 
 [Sitemap](#) | 
 [Imprint](#) | 
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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans - Breakdown of new lending commitments

by countries

by countries	in Euro m	in %
Austria	215	1.51
Belgium	0	0.00
Canada	250	1.76
Cyprus	0	0.00
Czech Republic	0	0.00
Denmark	167	1.17
Estonia	0	0.00
Finland	45	0.32
France	225	1.58
Great Britain	438	3.08
Germany	7,056	49.58
Greece	470	3.30
Hungary	0	0.00
Iceland	84	0.59
Ireland	193	1.36
Italy	770	5.41
Latvia	0	0.00
Lithuania	0	0.00
Luxembourg	25	0.18
Norway	20	0.14
Poland	10	0.07
Portugal	785	5.52

31.05.2006

Slovak Republic	0	0.00
Slovenia	0	0.00
Spain	2,080	14.62
Sweden	63	0.44
Switzerland	210	1.48
The Netherlands	203	1.43
The United States	836	5.88
Others	83	0.58
<b>Total</b>	<b>14,228</b>	<b>100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


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[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Public-sector loans - Breakdown of new lending commitments

by risk weighting

	in Euro m	in %	31.05.2006
<b>Risk weighting</b>			
0%	9,162	64.39	
10%	515	3.62	
20%	4,551	31.99	
<b>Total</b>	<b>14,228</b>	<b>100.00</b>	

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



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[Home](#)

[Investor Relations](#)

[Credit Research](#)

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

## Credit Research

### Risk Report

#### Risk management

The identification, quantification, aggregation and management of all relevant risks is pivotal for ensuring an efficient risk management and optimizing the allocation of capital to the bank's different business units in accordance with risk-return considerations. Risk management at Essen Hyp is governed by risk guidelines and appropriate organizational structures, as well as by measuring and monitoring methods which are geared towards the bank's business activities.

#### Risk management principles and organization

The risk management policies of Essen Hyp have been decided by its Board of Managing Directors in accordance with the Commerzbank Group's guidelines. Essen Hyp has an efficient system of risk management and control, which is constantly being refined with a view to the future. We have been closely cooperating with our parent company, the Commerzbank AG, in the field of risk controlling for years. This cooperation includes, in particular, the submission of daily reports on balance sheet and off-balance sheet items, as well as the reporting of credit and market risks to our parent company. The aim is to ensure uniform risk management and controlling throughout the Group. Essen Hyp makes use of state-of-the-art risk measurement and management tools, given that this is pivotal for professional and active risk management and controlling.

According to the general guidelines agreed upon by the Board of Managing Directors risks may only be taken within a predefined risk framework while complying with applicable law. The Board of Managing Directors has established a system of risk limits, including a stop loss limit, taking into account the amount of available capital and the bank's earnings performance, as well as the risk management requirements of the Group as a whole.

Any changes relating to limits and limit systems require the approval of the Commerzbank's Central Risk Control Unit (ZRC) prior to a decision by our Supervisory Board and our Risk Committee. In addition to our own calculations, we receive continued feedback regarding our risk positions from ZRC because Essen Hyp is integrated into the Commerzbank's daily reporting system. This helps us to further validate our risk models. In 2005 our risk management was linked even closer to that of the Commerzbank AG. We have nearly completed a separate project on the uniform calculation and presentation of liquidity risks throughout the Group and will be able to establish limits in the first quarter of 2006. Furthermore, we calculate both overall market risk figures and specific market risk figures on a daily basis.

To further improve process reliability, Essen Hyp launched a project to generate the gap report directly from its

front-end system ATLAS as early as 2003. This required substantial restructuring, which was completed in 2004. Based on this new mode of calculation we started an additional project in 2005, which aims at directly calculating risk figures on the basis of the data provided by our front-end system Front Arena. This will ensure maximum accuracy and data security when calculating these figures. In addition, this will allow us to further refine and differentiate risk measurement, include additional scenario analyses and stress tests, simplify procedures and enhance the analysis of risk sensitivities. We plan to fully implement this project in the first quarter of 2006. In the period under review we started to use economic capital as the basis for our risk management and performance measurement. This was done in coordination with our parent company. Economic capital is defined as the amount of capital which, by assuming a given probability, will be needed to cover unexpected losses from risk positions during a certain period of time. Economic capital does not mean that the amount in question is actually available. Instead, the term relates to the amount of capital which will be needed in view of the given risks. These risks, including for instance, credit risk, market risk, operational risk and business risk, are calculated by using the so-called value at risk (VaR) approach. VaR is defined as the maximum loss in value a portfolio could suffer by assuming a given probability (confidence level) during a given holding period. Correlation effects which may occur within the Group are taken into account.

Essen Hyp has a sophisticated risk monitoring system in place. This risk monitoring system is described in detail in several organizational manuals which are available in electronic form. These manuals have been summarized in a generic description of the systematics, which is meant as an overall reference. The following table shows the most important risk control and risk management tasks and their assignment to organizational units:

#### **Management of market and liquidity risk**

Management of interest rate, liquidity and currency risk	Treasury Department, Bank Management Department
Risk measurement and reporting, development of uniform methods and procedures	Controlling Department
Review transactions with regard to market value and plausibility	Market Conformity Checking Section
Risk reporting	Controlling Department, Market Conformity Checking Section

#### **Management of credit and counterparty risk**

Public-sector borrowers, credit institutions governed by private law and companies	Treasury Department, Credit Research Department
Credit quality research (public-sector lending)	Credit Research Department
Credit quality research (real estate finance)	Real Estate Finance Department – Transaction Management, Credit Research Department
Monitoring of compliance with credit limits	Market Conformity Checking Section, Credit Research Department
Non-performing mortgage loans	Mortgage Lending Risk Management Department, Legal Department, Foreclosure Department

Proposals for an appropriate risk provision for non-performing mortgage loans

Real Estate Finance Department – Transaction Management, Mortgage Lending Risk Management Department, Foreclosure Department

Risk reporting

Bank Management Department, Credit Research Department, Mortgage Lending Risk Management Department, Market Conformity Checking Section

### Management of operational risk

Introduction of new products

Task Force 'New Products'

Legal risks

Legal Department; External lawyers if necessary

Modification of the legal framework

Project team comprising staff from the organizational units concerned

Personnel issues

Personnel Department

Structural and procedural organization

Organization Department together with the organizational unit(s) concerned

Data processing risks

EDP/IT Department

Equipment and infrastructure

Organization Department

Internal controlling

Internal Audit Department

### Risk categories

Essen Hyp defines the term 'risk' as a possible loss resulting from unexpected changes which might cause adverse deviations from the bank's projections in terms of assets, financial situation and earnings performance. Market, liquidity, credit and counterparty risk, as well as operational risk are the most important risk categories for Essen Hyp.

- Market risk means the danger of losses resulting from adverse changes in market prices or price-influencing parameters. Interest rate risk and specific market risk, i.e. credit spread risk, are the most important risk categories for Essen Hyp. Establishing the total of possible overnight losses constitutes the main aspect of our risk analysis. Adequate hedging transactions eliminate currency risk.
- Credit and counterparty risk is the risk of losses due to the partial or total default and/or the deterioration in credit quality of any of our business partners. In addition to traditional credit risk, country and issuer risk are also covered by this category.
- Operational risk is defined as the danger of losses resulting from inadequate or defective internal processes and systems, human or technical failures, or from external events. Legal risk resulting from changes in the legal framework, legal actions or contracts is also included in our definition of operational risk.

- Business risk is defined as unexpected losses due to revenue (especially commission) and costs deviating negatively from the budgeted figures. Business risk is influenced both by business strategy and the bank's internal planning process, as well as by changed overall conditions, such as market environment, customers' behavior or technological developments.
- Liquidity risk means that, in the case of illiquid markets, contractual payment obligations cannot be met in a timely manner or not at all, or that due to market disturbances or an insufficient market depth, trades either cannot be closed or processed, or if so only with losses.

Basel II will require the first three types of risk to be covered by regulatory capital. In addition, the other risk categories will have to be monitored in connection with Basel II (pillar II) and the adopted Minimum Requirements for Risk Management (MaRisk).

#### **Risk management under two different accounting standards**

Hypothekbank in Essen AG prepares its annual accounts in accordance with the provisions of the German Commercial Code (HGB). However, as the consolidated annual accounts of the Commerzbank AG are prepared pursuant to the International Accounting Standards/the International Financing Reporting Standards (IAS/IFRS), we are in addition required to compile annual accounts in accordance with IAS/IFRS. In contrast to German commercial law, risk management under IAS/IFRS rather focuses on market values. Accordingly, all financial instruments traded in an active market as defined by IAS 39 are reported at market value because the Commerzbank Group does not use the category 'held to maturity'. Whether or not changes in the market value affect the bank's net income depends on their classification on the balance sheet. Due to the partial reporting at market value (the so-called 'mixed model') we were required to split our interest rate book into different portfolios for bank management purposes. This enables us to manage and keep potential effects on our balance sheet under IAS/IFRS within the scope of predefined limits. We measure our performance under IAS/IFRS on a daily basis in order to show the potential effects of asset and liability management measures.

#### **Risk monitoring**

Market risk. The data required for risk measurement is taken from the gap report, which is updated by the Controlling Department on a daily basis. The gap report shows the mismatches per month. We use present value figures to measure and quantify the risks deriving from gap positions in the case of interest rate fluctuations. The required arbitragefree zero-coupon discount factors are calculated daily on the basis of the swap or EURIBOR curve. Using these discount factors, the cash flows from interest and principal payments are discounted and summarized into a key figure.

As a next step, the actual cash flows are discounted by using discount factors which are calculated by assuming certain simulated market price changes and a holding period of one business day. These simulated market price changes are based on the historical interest rates of the past 255 trading days. We then reevaluate our current portfolio by applying each of the calculated 254 market scenarios. The maximum change in value of our interest rate book is calculated by assuming a one-sided confidence level of 97.5%. The VaR of the entire interest rate



book describes the bank's aggregate market risk.

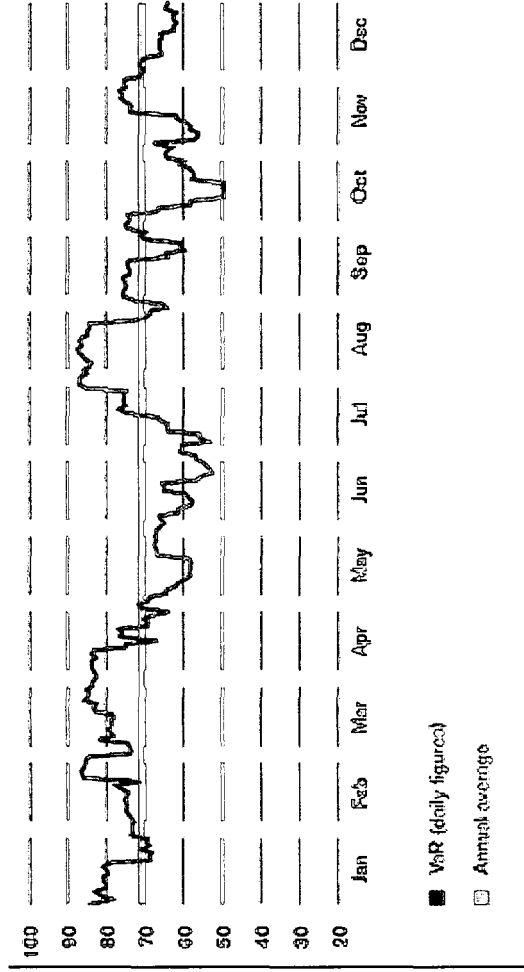
The reliability of our VaR model is constantly monitored by means of backtesting, i.e. the projected VaR is compared to the actual market value changes on a daily basis. To identify outliers, i.e. market value changes outside the forecast interval, we use a one-sided confidence interval. In 2005 the maximum number of outliers, i.e. changes in value exceeding the amount forecasted in the VaR calculation when using a 97.5% confidence level, was five. These changes in value were due to extreme market movements. In order to limit losses exceeding the confidence level of 97.5%, another stop loss limit was fixed, taking into account worst-case scenarios. The potential for such losses is also calculated daily. In addition to the VaR calculation, we carry out stress tests in order to take account of extreme market movements. Stress tests are defined as historically and/or hypothetically derived scenarios by means of which potential losses are quantified under extreme market conditions. All scenarios are calculated on the basis of historical interest rates of the past 15 years. Worst-case scenarios cover both upward and downward yield curve shifts, as well as tilts of the yield curve at certain key points on the curve.

The Board of Managing Directors, in cooperation with the Supervisory Board and the Commerzbank AG, has set limits for the VaR, as well as for worstcase scenarios. These limits have to be complied with at all times.

The VaR utilization of the authorized limit came to 62.4% as of December 31, 2005 and to 71.2% on an annual average. The utilization of the limit for worst-case scenarios stood at 58.1% on the balance sheet date, while the annual average was 70.1%. Apart from the VaR calculations we also simulate changes in interest rate curves based on arbitrary parameters and the effects of planned new lending operations, which allows us to adjust the underlying portfolio accordingly.

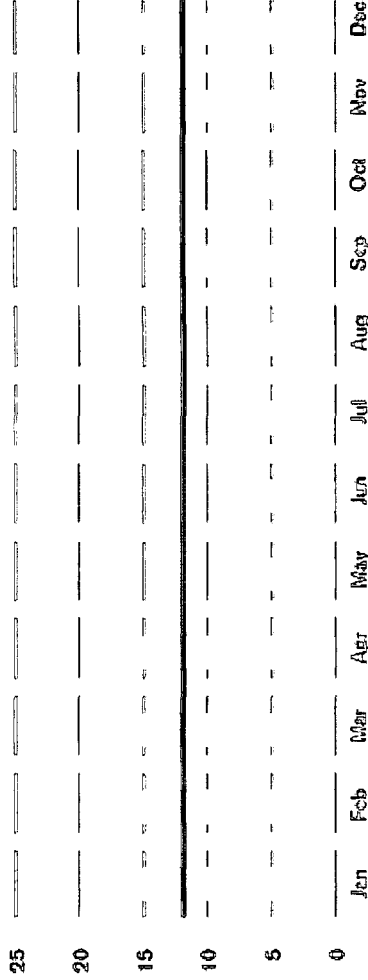
For VaR, market value and interest rate risk calculations, Essen Hyp uses the well-established Front Arena software and proprietary valuation tools.

**Value at risk on a daily basis and on an annual average of the authorized limit in 2005 in %**



'Traffic light system'. For internal monitoring purposes Essen Hyp calculates the potential present value loss of the whole portfolio in the case of a general interest rate change of 1 basis point and 100 basis points from one business day to another. These calculations are carried out for all maturities, taking into account certain predefined measuring points. Until mid-March 2005 banking supervision required that this basis point value, which is calculated by means of the key rate method, was not to exceed the predefined 20% limit in proportion to the liable capital in the case of an interest rate change of 100 basis points. Essen Hyp has fixed an even lower limit in its internal limit system, which, however, may be temporarily exceeded up to the former regulatory limit. The figures are calculated on a daily basis. In 2005 the average limit utilization within this 'traffic light system' came to 11.9%.

**Utilization of the authorized limit under the 'traffic light system' on a monthly and on an annual average in 2005 in %**



Monthly average

■ Annual average

**Internal reporting.** On each business day the Board of Managing Directors, the Head of Treasury and the Head of Bank Management receive information on the development of the gap report's market value, the VaR level (including Credit Spread VaR), the utilization of the different risk limits, and the level of interest rate risk calculated with the 'traffic light system'. Moreover, the net present value of our public-sector and mortgage Pfandbriefe and their respective cover pools, as well as the changes in value under predefined stress scenarios, are calculated and reported. Furthermore, the Head of Treasury reports on the bank's short-term and long-term liquidity situation in the course of the weekly meetings of the Board of Managing Directors.

Special events and, in particular, ad hoc events which impact on the bank's risk position are immediately made known to the Board of Managing Directors.

As a part of our bank management activities, our Asset Liability Committee (ALCO) meets on a monthly basis. This Committee deals with the bank's interest rate positions, earnings performance, risk exposure and reporting requirements and also issues proposals for decision-making on these issues. The ALCO is composed of the member of the Board of Managing Directors who is responsible for the Treasury Department (or his deputy), the heads of all operational and back-office units, and the heads of the Controlling and Research Department. The proposals made by the ALCO are decided in the subsequent Board meeting. On a monthly basis the Board of Managing Directors receives several detailed reports from the individual departments and sections. For instance, the report prepared by the Controlling Department provides, inter alia, information on the transactions effected in the previous month, their impact on the structure of the gap report, the development of the market value and the historical utilization of the existing risk limits. The Controlling Department also reports on the examination and testing of new products. The monthly report prepared by the Accounting and Tax Department provides information on the development of the balance sheet and the profit and loss account in accordance with the

provisions of both the German Commercial Code (HGB) and IAS/IFRS. The quarterly report submitted by the Transaction Banking Department includes, amongst other things, information on the structure of the bank's loan portfolios.

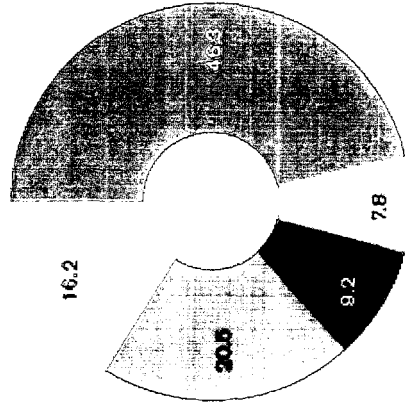
The ratings of our borrowers, as well as changes in the assessment of their credit quality are reviewed on a monthly basis. Changes are reported in our 'Risk Report Capital Markets'. This 'Risk Report Capital Markets' is compiled quarterly and complies with the Minimum Requirements for Risk Management (MaRisk). The aim of this quarterly report is to identify, manage and monitor risks relating to capital market transactions. The report includes an assessment of the bank's risk profile resulting from its capital market transactions. Accordingly, the report provides information on the main structural characteristics of the loan portfolio and the new lending business, as well as on limits and their utilization, and on rating changes. Finally, the Market Conformity Checking Section reports on the results of checking the market conformity of new transactions and the compliance with counterparty limits.

Another report, also compiled quarterly, is the 'Risk Report Real Estate Finance', which analyzes the bank's risk profile resulting from its real estate financing activities. This report deals with the main structural characteristics of the loan portfolio, including geographical diversification, property types, industries, size and internal risk classification. New lending commitments are another key issue in this report. New lending commitments are subject to the limits imposed by the bank's guidelines for real estate finance and our credit risk strategy, which is defined once a year. The new lending commitments are broken down and analyzed by region and type of property. Furthermore, the risk report lists non-performing loans and any credit decisions which have an impact on the bank's risk position, and includes recommendations for reducing such risks.

#### **Credit and counterparty risk from capital market transactions**

Public-sector loans and securities issued by other borrowers. As of December 31, 2005, the volume of assets serving as cover for our public-sector Pfandbriefe was A61.3bn. Under the new Pfandbrief Act claims on eligible national and international credit institutions may be added to the cover pool as additional cover subject, however, to certain restrictions on volume. We made use of this option and added claims on eligible credit institutions totaling A1.1bn to our cover pool. The unchanged high quality of our public-sector cover assets is reflected by the low average risk weighting pursuant to the Grundsatz I standards and by the external ratings of leading international rating agencies. In terms of the Grundsatz I standards, 72.8% of the cover assets are classified at a risk weighting of 0%, 3.8% at 10% and 23.4% at 20%. A breakdown of the loan portfolio by rating reveals that 31.6% of the cover assets have been awarded a triple A, 42.5% a double A, 6.9% a single A and 2.1% a triple B. Those assets which were not rated by an external rating agency, i.e. 16.9% of the total loan volume, include loans

#### **Composition of our public-sector cover pool as of December 31, 2005 in %**



Total: €61.3bn

The German Federal Government, the Federal Government's Special Fund and the German Federal States (*Länder*)

Towns and municipalities, municipal purpose associations, non-profit organizations and loans guaranteed by municipal authorities

Public-sector credit institutions with special tasks

Credit institutions governed by public law (including claims guaranteed by these), savings banks and German credit institutions governed by private law

Foreign territorial authorities, foreign institutions governed by public law and foreign credit institutions

to credit institutions governed by public law, German credit institutions governed by private law and savings banks (48.5%), as well as loans to national and international public-sector bodies and institutions governed by public law, including claims guaranteed by these institutions, and claims on EU credit institutions governed by private law (51.5%), whose excellent credit quality was confirmed by our internal credit quality analysis. As a basic principle, an investment grade rating is a prerequisite for the granting of loans not eligible for cover to foreign public-sector bodies and other borrowers. Our non-cover transactions (excluding derivatives) with these counterparties amounted to A1.1bn as of December 31, 2005. While 0.8% of these counterparties were rated triple A, 15.9% were rated double A, 80.7% single A and 1.4% triple B. The remaining 1.2% was not rated by an external rating agency.

Country risk. In order to coordinate all questions concerning country risk and to implement appropriate measures, Essen Hyp uses its own expertise and the Commerzbank Group know-how. Risk limits are fixed on the basis of internal and external credit quality assessments and in close cooperation with our supervisory bodies, also taking into account the total credit exposure of the Commerzbank Group.

Standard & Poor's / Moody's / FitchRatings	as of December 31, 2005	
	in €m	in %
AAA / Aaa / AAA	19,358	31.6
AA+ / Aa1 / AA+	5,804	9.5

AA / Aa2 / AA	5,352	8.7
AA- / Aa3 / AA-	14,933	24.3
A+ / A1 / A+	2,272	3.7
A / A2 / A	1,378	2.2
A- / A3 / A-	594	1.0
BBB+ / Baa1 / BBB+	1,089	1.8
BBB / Baa2 / BBB	195	0.3
Not rated	10,365	16.9
<b>Total</b>	<b>61,340</b>	<b>100.00</b>

Derivatives. Essen Hyp reduces counterparty risk by applying bilateral outline agreements, most of which include netting agreements. Again, as far as these agreements are concerned, uniform contractual regulations are in place within the Group. The structure of our derivative portfolio, broken down by counterparty rating, can be seen in the following table (see also p. 114 of the notes to the annual accounts).

Counterparty ratings	in € m/remaining time to maturity			
	< 1 year	1-5 years	> 5 years	Total
Triple A	261	798	3,985	5,044
Double A	10,336	26,411	27,140	63,887
Single A	6,073	52,141	38,627	96,841
Triple B	0	15	0	15
not rated	558	10,597	15,865	27,020
<b>Total</b>	<b>17,228</b>	<b>89,962</b>	<b>85,617</b>	<b>192,807</b>

The figures for the not rated counterparties in the table above relate to subsidiaries of foreign credit institutions with a good rating. In the following table we have notionally attributed the ratings of these foreign credit institutions to the respective counterparties as an 'implicit rating'.

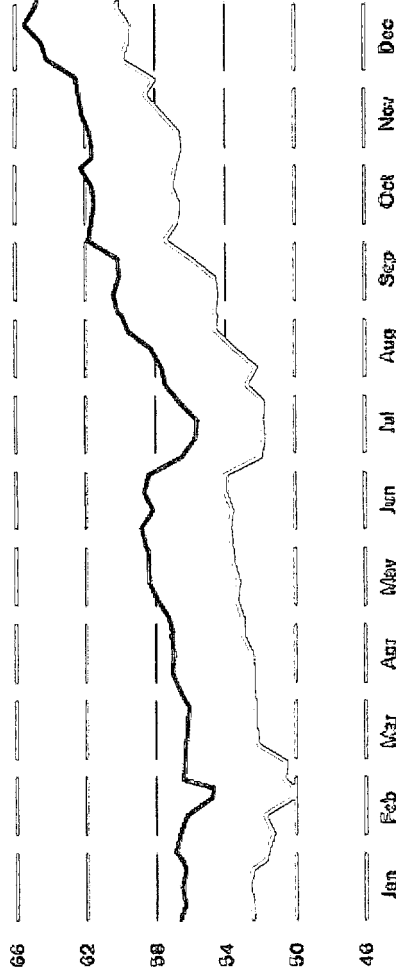
Rating	Implicit counterparty ratings		
	< 1 year	1-5 years	> 5 years
			Total

Single A	558	10,597	15,865	27,020
<b>Total</b>	<b>558</b>	<b>10,597</b>	<b>15,865</b>	<b>27,020</b>

We only use derivatives to hedge our interest rate risk from individual transactions or portfolios and to manage our interest rate book, including, in particular, our earnings and interest rate risk profile. Essen Hyp's interest-bearing positions are valued on a daily basis. Information on the calculated total market value is provided daily to the Board of Managing Directors, the Head of Treasury and the Head of Bank Management. As a part of Essen Hyp's limit system, a floor for the market value has been fixed, which is to ensure that the overall market value never falls short of a predefined minimum amount.

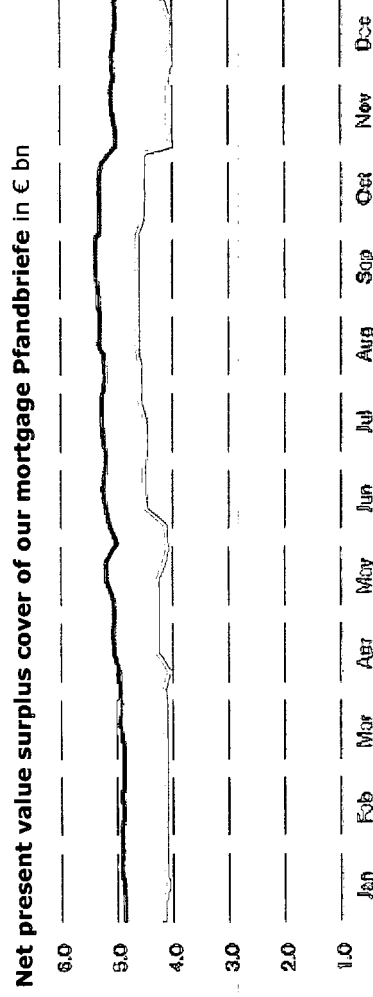
Net present value of the Pfandbrief cover. The net present value of our Pfandbrief cover is calculated on a daily basis. We are required by law to maintain a surplus cover of 2% at all times. However, Essen Hyp internally decided to maintain a surplus cover of at least 2.5%. Pursuant to Section 4 (2) of the German Pfandbrief Act this surplus cover must be calculated on the basis of the net present value of the cover assets, while taking into account certain stress test scenarios. Stress testing ensures that the 2% surplus cover is also maintained in times of interest rate movements. For its stress test calculations Essen Hyp makes use of the dynamic approach which uses the value at risk method, based on the interest rate fluctuations observed in the preceding 250 trading days. Taking into account these stress test calculations, Essen Hyp's average surplus cover available at all times in 2005 was 7% (4.4%) for public-sector Pfandbriefe and 14.4% (8.3%) for mortgage Pfandbriefe.

**Net present value surplus cover of our public-sector Pfandbriefe in € bn**



- Net present value of our public-sector cover pool
- Net present value of public-sector Pfandbriefe outstanding

Net present value surplus cover



- Net present value of our mortgage cover pool
- Net present value of mortgage Pfandbriefe outstanding

Net present value surplus cover



Derivatives in our cover pools. At present, Essen Hyp has not included any derivatives in its cover pools. There was no need to include derivatives as the net present value of our cover assets has always clearly exceeded the net present value of the Pfandbriefe outstanding. Nevertheless, we are close to completing negotiations with certain derivative counterparties in order to be able to make immediate use of derivatives for the purpose of optimizing the management of our surplus cover, should this become necessary.

#### **Credit and counterparty risk relating to real estate finance**

The credit quality of the borrower, as reflected by our internal rating, is of paramount importance for our credit decision. For those loans which are not classified as home loans the valuation of the property, including the determination of the lending value (Beleihungswert), carried out by the certified appraisers of our subsidiary, Immobilien Expertise GmbH, is a key parameter for decisionmaking. The sustainable income from the charged property after deduction of the non-recoverable operating expenses must at all times exceed the interest and principal payments due. Essen Hyp drew up specific guidelines for both domestic and international real estate finance, which were approved by the Risk Committee of the Supervisory Board. These guidelines stipulate, amongst other things, the minimum debt service cover (DSC) ratios, and they also include a list of property types which are currently not eligible as security for mortgage loans or for which a loan can only be granted if certain conditions are met. For the timely recognition of credit risks, we established an early warning system to assess latent risks in a more efficient way, taking into account potential risk factors, such as interrupted performance, an adverse development of the sector, risks of rent losses, or adverse effects on the quality of the property location. The processing of loans in default or other loans showing performance interruptions (and thus bearing a certain risk potential) has been restructured in accordance with the Minimum Requirements for Risk Management (MaRisk). As in the previous years, we have permanently monitored the risks inherent in the larger transactions of our portfolios, and especially those in the East German Federal States. In this context a number of risk-mitigating measures were taken, such as requiring additional security, restructuring the loan facility concerned, and ensuring an adequate provision for possible loan losses.

For the purpose of pooling and optimizing the measures referred to above our Credit Risk Committee (CRCO) issues, within the scope of an intensive treatment, proposals on the processing of problem loans, preventive loans and loans which have been called in or are currently being liquidated.

At each of its periodical Committee meetings, the Risk Committee of the Supervisory Board is informed about the progress of non-performing loans exceeding a certain amount, and about the structure of our mortgage loan portfolio.

#### **Internal ratings**

In close cooperation with the Commerzbank AG and the Association of German Pfandbrief Banks (vdp), we refined our approach for calculating capital requirements and improved our internal rating procedures for classifying credit risks in both public-sector lending and real estate finance. For this purpose, Essen Hyp participated in joint projects dealing with probability of default (PD) rating and loss given default (LGD) grading. These projects aim at developing an internal rating approach that satisfies the Basel II requirements and at integrating the PD and LGD components into the calculation of the capital required. In addition to this, Essen Hyp

and three other Pfandbrief banks launched a joint project aimed at developing an arithmetic unit which will calculate the capital requirements in accordance with Basel II (for all approaches).

#### **PD component in real estate finance**

The rating tool used for commercial real estate investors in Germany and abroad which was developed within the scope of a joint project and which has been in use since September 2004 has been continually improved by adding the real estate know-how of the banks involved in the project. At the same time, the rating functions are being refined. At Essen Hyp, we are currently pushing the further implementation of the required organizational and EDP procedures. This includes, in particular, the assignment of ratings to the loans that are already in our portfolios. It is our objective to further establish the rating process as an integral part of our credit approval procedures and credit risk management. All ratings are converted to the uniform rating scale of the Commerzbank group.

#### **Private customers (home loans)**

In the first quarter of 2006 we plan to enter into an agreement to establish a scoring system (internal rating system) for analyzing the credit quality of our private customers (home owners) which is meant to be used throughout the Group. We hold the view that this is the best solution, given that in view of the sales structures in this business segment, the necessary amount of data can only be generated by using the entire Group data. Accordingly, we strive for a full integration into the rating system of another affiliated company within the scope of a joint project.

#### **LGD component in real estate finance**

The LGD component is another key element in calculating the minimum capital requirements. The theoretical model is based on a concept developed by the Association of German Pfandbrief Banks (vdp) and an external consulting firm. The required data, such as the recovery rate and the duration of the liquidation process, is pooled and made available by the Association of German Pfandbrief Banks. The LGD component is integrated into our Basel II arithmetic unit. The LGD component for real estate transactions has already been implemented. Essen Hyp has already estimated the recovery rates for some of the loans in its portfolio. The results available to date are currently being tested and reviewed. What remains to be done as a part of the implementation process is to finally incorporate bank-specific parameters into the model.

#### **PD component for capital market transactions**

Internal rating approaches for measuring the probability of default (PD) of public-sector loans (central governments and regional/local authorities) have been developed in a separate project in coordination with S&P Risk Solutions and the Association of German Pfandbrief Banks (vdp). These internal rating approaches were implemented within Essen Hyp at the beginning of 2005. Up to now, PD ratings have been assigned to a considerable portion of our loan portfolio. The internal rating approach for North American regional and local authorities, in particular, is currently being developed within the scope of a joint vdp project. The other PD figures (banks, corporates, insurance companies) will be made available in the near future in accordance with the Group's time schedule.

#### **LGD component for capital market transactions**

The LGD component for public-sector loans will be developed in coordination with an external rating agency. This project, too, has been initiated by the Association of German Pfandbrief Banks. Currently, the LGD component project is in a test stage. The LGD component for capital market transactions (banks) is being developed within the Group. Once these LGD projects have been implemented and the rating components have been incorporated into our Basel II arithmetic unit, our bank will comply with the requirements for an internal risk classification and thus be eligible to adopt the Internal Rating Based Approach (IRB) under Basel II for calculating capital requirements and arriving at a risk-oriented pricing. As far as the registration process of the internal rating systems with the banking supervision is concerned, Essen Hyp is integrated into the Group's activities. The preparatory work for obtaining approval for our internal rating for banks already started at year-end 2005. Essen Hyp participates in the Quantitative Impact Study (QIS). We are of the opinion that this study will help us to better allocate the capital which, according to our present calculations, will be required to comply with the Basel II requirements.

#### **Provision for possible loan losses**

Through the formation of individual and, in the case of latent credit risks, of general risk provisions, the discernible risks of the lending business are adequately taken into account. Until now there has been no need for individual value adjustments or provisions in respect of our lending business with public-sector borrowers or entities governed by public law.

Based upon thorough analyses, our Real Estate Finance Department continually gauges which risk-provisioning measures need to be taken to ensure the quality of the bank's planning. In 2005 the Group started calculating provision for possible loan losses by using the so-called Most Realistic Value Approach (MRV). The parameters used under this approach vary in accordance with rating and/or loan status.

As a part of our credit risk strategy we have adjusted the standard risk costs applied to our home and commercial loans in close coordination with the Commerzbank AG. Given that some 97% of our home loans fall below 60% of the lending value (Beleihungswert) of the property securing the loan, we apply uniform standard risk costs to these loans. In contrast to this, the standard risk costs applied to our commercial loans vary in accordance with the ratio between the loan and the property's lending value. As a part of the implementation of our internal rating tools, we plan to derive the standard risk costs to be applied from the expected loss in order to come to an even more risk-oriented pricing of the loan.

#### **Liquidity risk**

The Treasury Department is responsible for liquidity management, which is based upon the daily listing of all cash flows. An adequate assessment of the liquidity situation requires that the bank's assets can be disposed of or sold under agreements to repurchase at short notice – within the scope of nominal overcollateralization – should the need for liquidity arise. The bank calculates its liquidity risk by showing the volume of mismatches in a capital outflow account and then determining the ratio between these mismatches and the existing shortterm funding limits, plus liquidity reserves. At Essen Hyp, liquidity risk is used as a synonym for the risk of possible payment gaps, which is seen as an indication of the bank's solvency. In accordance with supervisory requirements (Grundsatz II) an institution's liquidity is deemed to be guaranteed if the weighted liquid assets available to it within 30 days cover the weighted payment obligations callable during this period. Our bank's

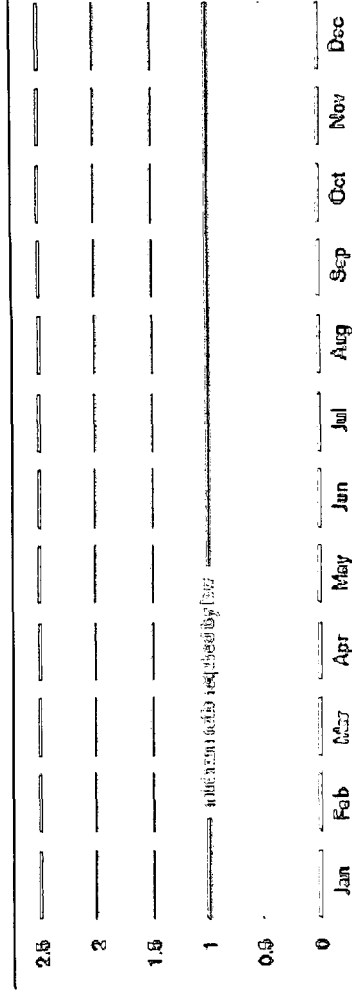
liquidity ratio calculated according to Grundsatz II ranged between 1.1 and 1.5, i.e. it always exceeded the minimum ratio of 1.0 required by the supervisory authorities. Essen Hyp has been further integrated into the Commerzbank's project on liquidity management. This project aims at developing a uniform calculation and presentation of liquidity risk throughout the Commerzbank Group. The purpose of this Group project is to calculate the available net liquidity (ANL) in order to comply with key Basel II requirements. Under this approach, we calculate the so-called legal and economic cash flows both for balance sheet and off-balance sheet items. Legal cash flows cover the payment flows expected under contractual agreements, whereas economic cash flows are primarily dependent upon customers' behavior and have to be estimated by drawing upon the relevant historical figures. For future liquidity gaps, offset assets are calculated, which result from borrowing against and/or disposal of liquid assets. The full implementation within the Group, including the setting up of liquidity limits, is expected for the first quarter of 2006.

#### **Operational risk**

As before, Essen Hyp's main focus was on the qualification and quantification of operational risk (OR) in the period under review. So far, Essen Hyp carried out internal self-assessments for the purpose of qualifying operational risk. However, in February and March 2005 Essen Hyp participated for the first time in the redesigned Quality Self Assessment (QSA) of Commerzbank AG which covers the whole Group. The aim of this self-assessment is to identify and assess weak points in the Group's workflows and processes. The starting point for the QSA within Essen Hyp was the setting up of a so-called 'process matrix' for the predefined product groups 'Real Estate Finance' and 'Treasury' and the inclusion of all relevant workflows of these two product groups into the QSA process model of Commerzbank AG. Several departments and sections of Essen Hyp participated in the subsequent self-assessment. In accordance with its function and responsibilities each of these departments and sections was assigned to a specific process step. The QSA is based on a generic questionnaire, which is subdivided into several operational risk categories. 24 Essen Hyp employees participated in this self-assessment. The questions focused on the quality of the processes in each risk category. Each employee was required to give a detailed assessment based on a predefined rating system. The evaluation of the QSA questionnaires revealed a rating of 3.2 for each of the two product groups. Accordingly, Essen Hyp nearly

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Development of our liquidity ratio in accordance with Grundsatz II



reached the Group benchmark of 3.0. The rating which resulted from this self-assessment is far better than the so-called default rating of 4.0, which has so far been used for the calculation of the economic capital. In coordination with our parent company we plan to carry out a detailed analysis, including the implementation of riskmitigating measures, in 2006. Based on these activities, we will carry out a more detailed analysis of operational risks within the scope of a so-called Risk & Control Inventory (RCI), which will be carried out in the premises of Essen Hyp in coordination with the Commerzbank AG.

In November 2005 we once again participated in the Business Continuity Management (BCM) Self Assessment. This assessment includes a survey on the implementation of our contingency plans and their compliance with applicable supervisory requirements and Group guidelines. According to the first evaluation carried out by Commerzbank Essen Hyp has a rating of 1.9, which clearly exceeds the Group benchmark of 3.0.

Since 2003 Essen Hyp has been integrated into the Commerzbank's intranet-based 'Loss Collection Tool' (LCT), which serves to collect and assess all operational risk losses incurred within the Group. This tool is also used for reporting legal risks. All operational losses incurred are reported to the Board of Managing Directors and the Supervisory Board during their ordinary meetings. However, even before the introduction of the selfassessments and the collection of loss data as described above, Essen Hyp was concerned about the issue of operational risk. In order to detect possible weak points, we have, for several years now, been analyzing the 'classical' operational risks relating to the bank's structure and processes, EDP, internal and external electronic communication (intranet, internet, e-mail), availability of qualified staff, adequate equipment and legal matters. With regard to certain specific issues we seek external advice from consultants and other specialists. For instance, external specialists have been tasked with analyzing and validating the safety of our IT systems at regular intervals, e.g. in view of hacker attacks.

Other preemptive measures in terms of operational risk include the preparation and improvement of contingency plans for all business units. To rule out potential EDP failures, the bank has two separate central computer systems located in different parts of Essen, one of which serves as a back-up system should the working system fail. Our reserve headquarters referred to above is situated on the same premises as our back-up system, so

that a continuation of the bank's key business activities is ensured for a transitional period, should the bank's headquarters be destroyed or be out of action.

In addition, we continued our qualification program for employees in the operational units and the back office during 2005 by organizing certified seminars on job-specific, as well as general issues. To the extent possible, this aims at preventing errors resulting from lack of expertise. The reports on operational risk in the areas of EDP/IT, staff and legal issues are on the agenda of our Risk Committee meetings and are regularly presented and discussed during the meetings of our Board of Managing Directors.

#### **Legal risks**

Essen Hyp's Legal Department operates as an internal service provider for all legal matters. This includes general and specific legal advice on contracts, as well as on outline and specific agreements. Essen Hyp strives to integrate the Legal Department into all relevant projects from the start. Hence we are immediately aware of the limitations set by the applicable legal framework, while being in a position to innovate and use the whole range of legally permissible options. The Legal Department is also involved in processing non-performing loans. If required, we additionally seek external legal advice. When dealing with mortgage and public-sector loans to foreign borrowers, we always use the services of experienced international law firms.

The Legal Department regularly informs the Board of Managing Directors about the latest legal developments, related risks and their potential impact on our business activities.

#### **Internal audit**

Internal auditing forms an integral part of our internal monitoring system. The Internal Audit Department operates independently of all business processes. This staff department has been assigned by the Board of Managing Directors to control the existing structures and procedures and to assure compliance with regulatory requirements. Our Internal Audit Department provides independent auditing and consulting services. The aim is to add value and improve our bank's workflows. The Internal Audit Department assists the Board of Managing Directors in achieving the bank's business objectives by systematically assessing the efficiency of the risk management, internal control mechanisms, staff management and supervision. This includes assistance to further optimize these procedures. In close coordination with the responsible employees and/or persons in charge of the processes, the Internal Audit Department issues proposals on how to avoid losses, improve management, monitoring and internal supervision procedures and increase the efficiency of workflows. The Internal Audit Department operates according to a long-term inspection plan, which is continually improved. This plan also forms the basis for an annual inspection scheme agreed by the Board of Managing Directors and submitted to the Chairman of the Supervisory Board for information purposes. The inspections stipulated in this scheme cover all parts of the bank. Checks on correct working procedures and systems are carried out at fixed intervals. As far as specific risks and legal requirements are concerned, such as provisions relating to the German Money Laundering Act (Geldwäschegesetz), inspections are carried out at least once a year. The inspection intervals are fixed in the long-term inspection scheme. This ensures that all working procedures are inspected once every three years. The audit is risk-oriented and process-specific and mainly focuses on the

structure and processes, the risk management and controlling mechanisms, as well as the internal monitoring system for all working procedures within Essen Hyp. The EDP Audit, which is integrated into the Internal Audit Department, is primarily charged with all issues relating to electronic data processing, such as the maintenance of the safety and consistency of our electronic files by controlling the granting of licenses to access the system, and by limiting the number of users. The findings of each inspection are recorded in an audit report. These reports are made available to the relevant departments, the Board of Managing Directors and the external auditors.

Feedback about the structuring and suitability of the risk management system is provided to the Board of Managing Directors and to the individual departments and sections. Material findings by the Internal Audit Department are reported to the Supervisory Board at its subsequent ordinary meeting. At the first meeting in every new financial year, the Internal Audit Department informs the Supervisory Board about all important findings and remedies taken in the past financial year. Should, at any time, the internal audit reveal serious deficiencies, the Chairman of the Supervisory Board is immediately informed. The Chairman of the Supervisory Board is also informed about any audit reports, which, based on the worst risk grading of all audit reports, are in the first quarter.

#### **Overall risk position**

Our parent company monthly calculates the economic capital needed by Essen Hyp to cover market, credit, operational and business risk. The aim is to calculate an overall risk figure. This concept of economic capital forms the basis for a system of risk-adjusted key parameters. Under this concept, the individual risk positions are added up and shown as an overall risk figure. Economic capital is an internal measure for determining the amount of equity capital which, with a given probability, will be needed in the course of one year to cover unexpected losses arising from risk positions. Economic capital reflects the bank's specific risk profile and also includes those risk categories which are not covered by regulatory capital, but which may be material from an economic point of view.

Essen Hyp's overall risk position measured as economic capital is set off against the total capital available for covering risk. The calculation of the capital available for covering risk goes beyond the accounting and regulatory concepts of capital. The aim of this comparison is to show that the bank is capable to take risk, to anticipate potential unexpected losses without serious negative effects on its business activity and to cover these losses from its own funds.

#### **Objectives of risk management and future prospects**

The importance of risk management for a riskreturn based bank management will continue to increase in the future. We are therefore committed to further improving our risk management systems which will be done, in particular, in cooperation with the Commerzbank Group. The aim is to use the capital that is available in the most efficient way.

Despite these high standards the risk models used are not in a position to cover all potential losses, given that it is not possible to simulate all imaginable stress scenarios. This applies, in particular, to historical models, which do not cover all potential future events. To sum up, we are committed to managing our overall risk position in

such a way that the allocation of economic capital to the individual business units results, to the extent possible, in a reduction of the overall risk position without having to accept a decline in return.

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)





www.essenhyp.de

[Home](#)

[Investor Relations](#)

[Credit Research](#)

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

**Risk Management**

Value at risk

Date	Utilization in %	Annual average utilization in %
31/05/2006	71.1	84.5
30/04/2006	82.1	84.5
31/03/2006	69.7	84.5
28/02/2006	90.2	84.5
31/01/2006	95.4	84.5
31/12/2005	62.4	70.8
30/11/2005	71.5	70.8
31/10/2005	64.1	70.8
30/09/2005	75.3	70.8
31/08/2005	65.7	70.8
31/07/2005	87.5	70.8
30/06/2005	54.1	70.8
31/05/2005	61.2	70.8
30/04/2005	68.2	70.8
31/03/2005	85.4	70.8
28/02/2005	89.9	70.8
31/01/2005	70.6	70.8

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



[www.essenhyp.de](http://www.essenhyp.de)

[Home](#)

[Investor Relations](#)

[Credit Research](#)

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

**Risk Management**

Worst case scenario

Date	Utilization in %	Annual average utilization in %
31/05/2006	56.2	61.3
30/04/2006	59.3	61.3
31/03/2006	60.6	61.3
28/02/2006	62.9	61.3
31/01/2006	62.8	61.3
31/12/2005	58.1	66.3
30/11/2005	69.4	66.3
31/10/2005	65.2	66.3
30/09/2005	63.3	66.3
31/08/2005	64.2	66.3
31/07/2005	65.4	66.3
30/06/2005	59.3	66.3
31/05/2005	75.7	66.3
30/04/2005	83.7	66.3
31/03/2005	83.3	66.3
28/02/2005	65.3	66.3
31/01/2005	53.8	66.3

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



[www.essenhyp.de](http://www.essenhyp.de)

[Home](#)

[Investor Relations](#)

**Credit Research**

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

**Risk Management**

Grundsatz I - overview

Pursuant to Sections 10 (1) and 10a (1) of the German Banking Act (KWG), *Grundsatz I* establishes rules concerning the adequacy of a credit institution's equity capital. Pursuant to *Grundsatz I* the ratio of the liable capital of an institution to its risk weighted assets must not fall below 8% at the close of each business day (Tier II capital ratio), while the ratio of the core capital of an institution to its risk weighted assets must not fall below 4% at the close of each business day (Tier I capital ratio).

Date	Tier I		Tier II	
	Required by law	Ratio	Required by law	Ratio
31/05/2006	4.0	6.7	8.0	11.0
30/04/2006	4.0	6.5	8.0	10.8
31/03/2006	4.0	6.8	8.0	11.2
28/02/2006	4.0	6.3	8.0	10.8
31/01/2006	4.0	6.4	8.0	10.9
31/12/2005	4.0	6.5	8.0	11.0
30/11/2005	4.0	6.5	8.0	12.0
31/10/2005	4.0	6.5	8.0	12.0
30/09/2005	4.0	6.5	8.0	12.0
31/08/2005	4.0	6.5	8.0	12.0
31/07/2005	4.0	6.6	8.0	12.3
30/06/2005	4.0	6.6	8.0	12.3
31/05/2005	4.0	6.7	8.0	12.5
30/04/2005	4.0	6.8	8.0	12.6
31/03/2005	4.0	6.8	8.0	12.8
28/02/2005	4.0	6.3	8.0	12.3
31/01/2005	4.0	6.4	8.0	12.4

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



[www.essenhyp.de](http://www.essenhyp.de)

Home
Investor Relations
<b>Credit Research</b>
Bonds & Notes
Financial Reports
International Real Estate Finance
Company
Info Pool
Contact

**Risk Management**

Grundsatz II

*Grundsatz II* concerns the adequacy of a credit institution's liquidity provision. It is required and sufficient that the liquid assets cover all actual and potential liquidity outflows over the following twelve months. Since December 1, 2000 German mortgage banks have to comply with *Grundsatz II*.

Date	Ratio	Required by law
31/05/2006	1.28	1.0
30/04/2006	1.51	1.0
31/03/2006	1.16	1.0
28/02/2006	1.25	1.0
31/01/2006	1.05	1.0
31/12/2005	1.08	1.0
30/11/2005	1.10	1.0
31/10/2005	1.19	1.0
30/09/2005	1.34	1.0
31/08/2005	1.24	1.0
31/07/2005	1.26	1.0
30/06/2005	1.19	1.0
31/05/2005	1.18	1.0
30/04/2005	1.35	1.0
31/03/2005	1.50	1.0
28/02/2005	1.32	1.0
31/01/2005	1.16	1.0

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



www.essenhyp.de

- [Home](#)
- [Investor Relations](#)
- [Credit Research](#)
- [Bonds & Notes](#)
- [Financial Reports](#)
- [International Real Estate](#)
- [Finance](#)
- [Company](#)
- [Info Pool](#)
- [Contact](#)

**Derivatives**

Counterparty ratings

Nominal amount in Euro m/Remaining time to maturity						31.05.2006
<b>Rating</b>	<b>&lt;= 1 year</b>	<b>in %</b>	<b>1-5 years</b>	<b>in %</b>	<b>&gt; 5 year</b>	<b>in %</b>
Triple A	260.8	1.09	930.3	0.90	3,350.1	4.15
Double A	11,605.5	48.66	33,097.6	31.93	25,218.7	29.64
Single A	11,970.0	50.19	69,618.3	67.17	56,336.4	66.21
Triple B	14.5	0.06	0.0	0.00	0.0	0.00
<b>Total</b>	<b>23,850.8</b>	<b>100.00</b>	<b>103,646.2</b>	<b>100.00</b>	<b>85,085.2</b>	<b>100.00</b>
						<b>212,582.2</b>
						<b>100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



[www.essenhyp.de](http://www.essenhyp.de)

[Home](#)

[Investor Relations](#)

**Credit Research**

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

## Derivatives

Yield curve distribution

**Essen Hyp derivatives portfolio by instruments**  
**Financial derivatives in Euro m / Remaining time to maturity** **31.05.2006**

Instruments	<= 1 year	in %	>1-5 years	in %	>5 years	in %	Total	in %
Interest rate swaps	22,239.3	93.24	100,092.3	96.58	81,227.7	95.47	203,559.3	95.75
Swaptions	409.0	1.71	695.1	0.67	580.3	0.68	1,684.4	0.79
Other interest rate derivatives	127.8	0.54	25.6	0.02	0.00	0.00	153.4	0.08
Currency swaps	1,074.7	4.51	2,833.2	2.73	3,277.2	3.85	7,185.1	3.38
<b>Total</b>	<b>23,850.8</b>	<b>100.00</b>	<b>103,646.2</b>	<b>100.00</b>	<b>85,085.2</b>	<b>100.00</b>	<b>212,582.2</b>	<b>100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)





www.essenhyp.de

[Home](#)

[Investor Relations](#)

**Credit Research**

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

## Investor Relations

Ratings and Analyses (as of: June 1, 2006)

Ratings	S & P	Moody's	Fitch Ratings
<i>Pfandbriefe</i>			
- public-sector	AAA	Aaa	AAA
- mortgage	not rated	Aa1	AAA
Long-term counterparty rating	A-	A2	A
	(outlook stable)	(outlook stable)	(outlook stable)
Short-term counterparty rating	A-2	P-1	F1
Notes issued under the Debt Issuance Program			
- Senior Unsecured Debt	A-	A2	not rated
- Subordinated Debt	BBB+	A3	not rated
Commercial Paper Program	A-2	P-1	not rated
Financial Strength	not rated	C	B/C

## Rating Reports

- ▷ **Standard & Poor's** Bank Credit Report as of June 1, 2006 and Research update as of July 12, 2005 and Rating analysis as of Aug 31, 2004.
- ▷ **Moody's** Rating Analysis as of December 1, 2005 and Press Release as of December 13, 2005.
- ▷ **Fitch Ratings** Rating Analysis as of November 3, 2005

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[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)




---

[Home](#)


---

[Investor Relations](#)


---

[Credit Research](#)


---

[Bonds & Notes](#)


---

[Financial Reports](#)


---

[International Real Estate](#)


---

[Finance](#)


---

[Company](#)


---

[Info Pool](#)


---

[Contact](#)


---

## Code of Conduct

### Outline

In co-operation with its member institutions, the Association of German Pfandbrief Banks (vdp) has established a code of conduct for the issuers of Jumbo *Pfandbriefe*.

This Code of Conduct contains (a) rules of conduct and (b) disclosure requirements, with which the mortgage banks will voluntarily comply:

- a. The rules of conduct nos. 1) to 3), which apply to the issuers of Jumbo *Pfandbriefe*, stipulate that
  - new issues and increases are to be announced duly in advance in order to make sure that there is sufficient time for the book-building process;
  - new issues and increases are to be marked to the market at all times;
  - as a rule, increases are to be launched by the laid down minimum number of market makers.
- b. The rule of conduct no. 4) lays down minimum standards on the information to be disclosed. This will allow investors to evaluate the quality of cover assets. The information, which should be updated at least quarterly, is to be published in suitable electronic media.

Since mid-2001 Essen Hyp has been publishing detailed information about its cover pools, derivatives and interest rate risks. This information has been complemented by further details in accordance with the provisions of the Code of Conduct.

**Published on our Credit Research sites**

New public-sector lending commitments

**X**

New mortgage lending commitments	<b>X</b>
Public-sector cover pool	<b>X</b>
Mortgage cover pool	<b>X</b>
Derivatives	<b>X</b>
Derivatives serving as cover	<b>X</b>
Cover pools at market value / development and stress scenarios	<b>X</b>

The information listed above is updated at regular intervals and can be viewed in the individual sections of our Credit Research sites.

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


[www.essenhyp.de](http://www.essenhyp.de)
[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Breakdown of non-cover assets

by rating

S &amp; P/Moody's/Fitch

31.05.2006

Should the rating agencies come to different rating results, the worst rating is taken into account.

by rating	in Euro m	in %
AAA / Aaa / AAA	9	0.74
AA+ / Aa1 / AA+	0	0.00
AA / Aa2 / AA	206	16.90
AA- / Aa3 / AA-	100	8.20
A+ / A1 / A+	97	7.96
A / A2 / A	155	9.43
A- / A3 / A-	614	50.37
BBB+ / Baa1 / BBB+	15	1.23
BBB / Baa2 / BBB	50	4.10
BBB- / Baa3 / BBB-	0	0.00
BB+ / Ba1 / BB+	0	0.00
BB- / Ba3 / BB-	0	0.00
Without rating *	13	1.07
<b>Total</b>	<b>1,219</b>	<b>100.00</b>

\* - Without rating

National credit institutions

International credit institutions

	in Euro m	in %
National credit institutions	0	0.00
International credit institutions	0	0.00

Other (e.g. financial institutions)	13	1.07
<b>Total</b>	<b>13</b>	<b>1.07</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



www.essenhyp.de

[Home](#)

[Investor Relations](#)

[Credit Research](#)

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

[Contact](#)

## Breakdown of non-cover assets

by borrowers

	31.05.2006	
	in Euro m	in %
<b>by borrowers</b>		
National credit institutions	0	0.00
Foreign Governments and municipalities	44	3.61
International credit institutions	300	24.61
Other foreign financial institutions (guaranteed by national or international credit institutions)	657	53.90
Others	218	17.88
<b>Total</b>	<b>1,219</b>	<b>100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)


[www.essenhyp.de](http://www.essenhyp.de)
[Home](#)
[Investor Relations](#)
[Credit Research](#)
[Bonds & Notes](#)
[Financial Reports](#)
[International Real Estate](#)
[Finance](#)
[Company](#)
[Info Pool](#)
[Contact](#)

## Breakdown of non-cover assets

by countries

31.05.2006

by countries	in Euro m	in %
Germany	5	0.41
EU member states without Germany		
The Netherlands	79	6.48
France	70	5.74
Denmark	0	0.00
Austria	0	0.00
Belgium	0	0.00
Great Britain	25	2.05
Ireland	105	8.61
Italy	44	3.61
Spain	282	23.13
Finland	0	0.00
Sweden	0	0.00
Estonia	0	0.00
Hungary	0	0.00
<b>Total EU without Germany</b>	<b>605</b>	<b>49.62</b>
Non EU member states in Western Europe	13	1.07
Others	596	48.90
<b>Total</b>	<b>1,219</b>	<b>100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)







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**Breakdown of non-cover assets**

by risk weighting

	in Euro m	in %	31.05.2006
<b>Risk weighting</b>			
0%	287	23.54	
10%	0	0.00	
20%	792	64.98	
100%	140	11.48	
<b>Total</b>	<b>1,219</b>	<b>100.00</b>	

- [Home](#)
- [Investor Relations](#)
- [Credit Research](#)
- [Bonds & Notes](#)
- [Financial Reports](#)
- [International Real Estate](#)
- [Finance](#)
- [Company](#)
- [Info Pool](#)
- [Contact](#)

[Back](#) | 
 [Glossary](#) | 
 [Print](#) | 
 [Sitemap](#) | 
 [Imprint](#) | 
 [Legal Disclaimer](#)



[www.essenhyp.de](http://www.essenhyp.de)

- [Home](#)
- [Investor Relations](#)
- [Credit Research](#)
- [Bonds & Notes](#)
- [Financial Reports](#)
- [International Real Estate Finance](#)
- [Company](#)
- [Info Pool](#)
- [Contact](#)

**Non-cover loans - Breakdown of new lending commitments**

by rating

**S & P/Moody's/Fitch**

Should the rating agencies come to different rating results, the worst rating is taken into account.

31.05.2006

by rating	in Euro m	in %
AAA / Aaa / AAA	0	0.00
AA+ / Aa1 / AA+	0	0.00
AA / Aa2 / AA	180	49.45
AA- / Aa3 / AA-	0	0.00
A+ / A1 / A+	0	0.00
A / A2 / A	95	26.10
A- / A3 / A-	39	10.71
BBB / Baa2 / BBB	50	13.74
Without Rating	0	0.00
<b>Total</b>	<b>364</b>	<b>100.00</b>

\* - Without rating

	in Euro m	in %
National credit institutions	0	0.00
International credit institutions	0	0.00
Other (e.g. financial institutions)	0	0.00
<b>Total</b>	<b>0</b>	<b>0.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



<a href="#">Home</a>		
<a href="#">Investor Relations</a>		
<b><a href="#">Credit Research</a></b>		
<a href="#">Bonds &amp; Notes</a>		
<a href="#">Financial Reports</a>		
<a href="#">International Real Estate</a>		
<a href="#">Finance</a>		
<a href="#">Company</a>		
<a href="#">Info Pool</a>		
<a href="#">Contact</a>		

<b>Non-cover loans - Breakdown of new lending commitments</b>		
by borrowers		
	in Euro m	in %
		31.05.2006
<b>by borrowers</b>		
National credit institutions	0	0.00
Foreign Governments and municipalities	79	21.70
International credit institutions	0	0.00
Other foreign financial institutions (guaranteed by national or international credit institutions)	285	78.30
Others	0	0.00
<b>Total</b>	<b>364</b>	<b>100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



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- [Home](#)
- [Investor Relations](#)
- [Credit Research](#)
- [Bonds & Notes](#)
- [Financial Reports](#)
- [International Real Estate Finance](#)
- [Company](#)
- [Info Pool](#)
- [Contact](#)

**Non-cover loans - Breakdown of new lending commitments**

by countries

	31.05.2006
<b>by countries</b>	<b>in Euro m</b> <b>in %</b>
Germany	0      0.00
EU member states without Germany	
The Netherlands	0      0.00
Belgium	0      0.00
France	0      0.00
Austria	0      0.00
Denmark	0      0.00
Great Britain	0      0.00
Ireland	95    26.10
Italy	0      0.00
Spain	180   49.45
Finland	0      0.00
Sweden	0      0.00
Estonia	0      0.00
Hungary	0      0.00
<b>Total EU without Germany</b>	<b>275    75.55</b>
Non EU member states in Western Europe	0      0.00
Others	89    24.45
<b>Total</b>	<b>364   100.00</b>

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)





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**Non-cover loans - Breakdown of new lending commitments**

by risk weighting

	in Euro m	in %
<b>Risk weighting</b>		
0%	79	21.70
10%	0	0.00
20%	285	78.30
100%	0	0.00
<b>Total</b>	<b>364</b>	<b>100.00</b>

31.05.2006

- [Home](#)
- [Investor Relations](#)
- [Credit Research](#)
- [Bonds & Notes](#)
- [Financial Reports](#)
- [International Real Estate](#)
- [Finance](#)
- [Company](#)
- [Info Pool](#)
- [Contact](#)

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)





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Home

Investor Relations

Credit Research

Bonds & Notes

Financial Reports

International Real Estate

Finance

Company

Info Pool

Contact

## Mortgage loans

Breakdown of mortgage portfolio  
by type of property, region and LTV

Commercial Properties in Euro m

31.03.2006

Purpose of property	Country*	LTV up to 60%	in %	of which used as cover	in %	LTV 61-80 %	LTV in %	LTV 81-90 %	LTV in %	LTV >90 %	Total in %
Office and administrative buildings	Foreign countries	444.4	27.7	149.8	16.1	158.5	46.4	48.8	28.9	27.7	679.4
	West **	526.0	32.8	374.7	40.2	61.1	17.9	20.6	19.5	50.9	658.6
	East ***	11.6	0.7	14.4	1.5	3.1	0.9	1.0	0.9	0.7	16.4
Building sites	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	West **	0.7	0.0	0.0	0.0	0.1	0.0	0.0	0.0	1.0	1.8
	East ***	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Factory buildings	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	West **	45.5	2.8	27.0	2.9	7.6	2.2	2.2	2.1	16.1	71.4
	East ***	1.6	0.1	0.0	0.0	0.5	0.1	0.2	0.2	0.0	2.3
Shops	Foreign countries	22.7	1.4	0.0	0.0	7.6	2.2	3.8	3.6	10.3	44.4
	West **	219.4	13.7	200.5	21.5	29.0	8.5	4.3	4.1	4.1	256.8
	East ***	59.9	3.7	46.9	5.0	18.6	5.4	7.2	6.8	9.4	95.1
Hotels and restaurants	Foreign countries	21.0	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	21.0
	West **	31.3	2.0	11.5	1.2	10.9	3.2	4.5	4.3	14.9	61.6
	East ***	23.4	1.5	0.0	0.0	6.4	1.9	2.0	1.9	15.3	47.1
Other non-residential	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

properties	West **	123.0	7.7	79.3	8.5	20.8	6.1	8.3	7.9	25.4	14.4	177.5	8.0
East ***		1.3	0.1	1.2	0.1	0.2	0.1	0.0	0.0	0.0	0.0	1.5	0.1
Ware-houses and exhibition buildings	Foreign countries	17.0	1.1	0.0	0.0	5.7	1.7	0.4	0.4	0.0	0.0	23.1	1.0
West **		56.3	3.5	26.3	2.8	11.5	3.4	2.1	2.0	0.9	0.5	70.8	3.2
East ***		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total commercial properties	Foreign countries	505.1	31.5	149.8	16.1	171.8	50.3	53.0	50.3	38.0	21.5	767.9	34.5
West **		1,002.2	62.4	719.3	77.2	141.0	41.3	42.0	39.8	113.3	64.1	1,298.5	58.2
East ***		97.8	6.1	62.5	6.7	28.8	8.4	10.4	9.9	25.4	14.4	162.4	7.3
<b>Total</b>		<b>1,605.1</b>	<b>100.0</b>	<b>931.6</b>	<b>100.0</b>	<b>341.6</b>	<b>100.0</b>	<b>105.4</b>	<b>100.0</b>	<b>176.7</b>	<b>100.0</b>	<b>2,228.8</b>	<b>100.0</b>
Residential Properties in Euro m													
<b>Purpose of property</b>	<b>Country*</b>	<b>LTV up to 60%</b>	<b>in %</b>	<b>of which used as cover</b>	<b>in %</b>	<b>LTV 61-80 %</b>	<b>in %</b>	<b>LTV 81-90 %</b>	<b>in %</b>	<b>LTV &gt;90 %</b>	<b>in %</b>	<b>Total</b>	<b>in %</b>
Owned houses	Foreign countries	1.0	0.0	0.0	0.0	0.3	0.1	0.1	0.3	0.1	0.2	1.5	0.0
West **		2,739.4	59.2	2,162.5	61.2	84.8	36.6	2.9	9.3	1.4	3.4	2,828.5	57.4
East ***		373.1	8.1	283.7	8.0	19.0	8.2	1.3	4.2	0.5	1.2	393.9	8.0
Owned flats	Foreign countries	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
West **		799.6	17.3	613.7	17.4	30.8	13.3	1.6	5.1	0.8	2.0	832.8	16.9
East ***		46.0	1.0	34.1	1.0	1.7	0.7	0.1	0.4	0.1	0.2	47.9	1.0
Residential construction for letting purposes	Foreign countries	38.6	0.8	0.5	0.0	31.5	13.6	13.6	43.6	8.3	20.3	92.0	1.9
West **		528.1	11.4	401.9	11.4	54.2	23.4	9.0	28.8	16.9	41.3	608.2	12.3
East ***		100.6	2.2	38.0	1.1	9.7	4.2	2.6	8.3	12.8	31.3	125.7	2.5
Total residential properties	Foreign countries	39.8	0.9	0.5	0.0	31.8	13.7	13.7	43.9	8.4	20.5	93.7	1.9
West **		4,067.1	87.9	3,178.1	89.9	169.8	73.2	13.5	43.2	19.1	46.7	4,269.5	86.6
East ***		519.7	11.2	355.8	10.1	30.4	13.1	4.0	12.9	13.4	32.8	567.5	11.5
<b>Total</b>		<b>4,626.6</b>	<b>100.0</b>	<b>3,534.4</b>	<b>100.0</b>	<b>232.0</b>	<b>100.0</b>	<b>31.2</b>	<b>100.0</b>	<b>40.9</b>	<b>100.0</b>	<b>4,930.7</b>	<b>100.0</b>

Total mortgage loans	Country*	LTV up in % to 60%	of which used as cover	in %	LTV in % 61-80 %	LTV in % 81-90 %	in %	LTV in % >90 %	Total in %
	Foreign countries	544.9	150.3	3.3	203.6	66.7	7.7	46.4	5.4 861.6 12.0
	West **	5,069.3	3,897.4	87.3	310.8	55.5	1.0	132.4	2.4 5,568.0 77.8
	East ***	617.5	418.3	9.4	59.2	14.4	2.0	38.8	5.3 729.9 10.2
	<b>Total</b>	<b>6,231.7</b>	<b>4,466.0</b>	<b>100.0</b>	<b>573.6</b>	<b>8.0 136.6</b>	<b>1.9 217.6</b>	<b>3.0 7,159.5 100.0</b>	

\* - The figures comprise completely drawn loans and, for loans not yet made available in total, the drawn parts of the loans. Lending commitments are not taken into account.

\*\* - West German Federal States including Berlin

\*\*\* - East German Federal States

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## Mortgage loans

### Breakdown of mortgage portfolio

Foreign loans by type of property, country and LTV

31.03.2006

Commercial Properties in Euro m

Purpose of property	Country*	LTV up to 60%	of which used as cover	LTV 61-80%	LTV 81-90%	LTV >90%	Total	in %
Office and administrative buildings	United States	57.0	0.0	39.6	3.5	0.0	100.1	12.9
	Belgium	1.1	1.0	0.0	0.0	0.0	1.1	0.1
	England	131.9	57.4	61.0	31.5	22.6	247.0	32.2
	France	105.6	42.2	18.3	4.1	1.6	129.6	16.9
	Canada	20.8	0.0	6.91	3.5	3.5	34.7	4.5
The Netherlands		49.4	49.2	10.9	0.2	0.0	60.5	7.9
	Poland	17.7	0.0	1.5	0.0	0.0	19.2	2.5
Shops	Spain	60.9	0.0	20.3	6.0	0.0	87.2	11.4
	Poland	22.7	0.0	7.6	3.8	10.3	44.4	5.8
Hotels and restaurants	France	19.0	0.0	0.0	0.0	0.0	19.0	2.5
	Spain	2.0	0.0	0.0	0.0	0.0	2.0	0.3
	France	17.0	0.0	5.7	0.4	0.0	23.1	3.0
Warehouse and exhibition buildings	United States	57.0	0.0	39.6	3.5	0.0	100.1	13.0
	Belgium	1.1	1.0	0.0	0.0	0.0	1.1	0.1
Total commercial properties	England	131.9	57.4	61.0	31.5	22.6	247.0	32.2
	France	141.6	42.2	24.0	4.5	1.6	171.7	22.4
	Canada	20.8	0.0	6.9	3.5	3.5	34.7	4.5
	The Netherlands	49.4	49.2	10.9	0.2	0.0	60.5	7.9
	Poland	40.4	0.0	9.1	3.8	10.3	63.6	8.3

Spain	62.9	0.0	20.3	6.0	0.0	89.2	11.6
<b>Total</b>	<b>505.1</b>	<b>149.8</b>	<b>171.8</b>	<b>53.0</b>	<b>38.0</b>	<b>767.9</b>	<b>100.0</b>

Residential Properties in Euro m

31.03.2006

Purpose of property	Country*	LTV up to 60%	of which used as cover	LTV 61-80%	LTV 81-90%	LTV >90%	Total	in %
owned flats	France	0.2	0.0	0.0	0.0	0.0	0.2	0.2
owned houses	Austria	0.5	0.0	0.2	0.0	0.0	0.7	0.7
	France	0.5	0.0	0.1	0.1	0.1	0.8	0.9
Residential construction for letting purposes	United States	38.1	0.0	31.5	13.6	8.3	91.5	97.7
	Belgium	0.5	0.5	0.0	0.0	0.0	0.5	0.5
Total residential properties	Austria	0.5	0.0	0.2	0.0	0.0	0.7	0.7
	United States	38.1	0.0	31.5	13.6	8.3	91.5	97.7
	Belgium	0.5	0.5	0.0	0.0	0.0	0.5	0.5
	France	0.7	0.0	0.1	0.1	0.1	1.0	1.1
	<b>Total</b>	<b>39.8</b>	<b>0.5</b>	<b>31.8</b>	<b>13.7</b>	<b>8.4</b>	<b>93.7</b>	<b>100.0</b>

Total in Euro m

31.03.2006

Mortgage loans	Country*	LTV up to 60%	of which used as cover	LTV 61-80%	LTV 81-90%	LTV >90%	Total	in %
	Austria	0.5	0.0	0.2	0.0	0.0	0.7	0.1
	United States	95.1	0.0	71.7	17.1	8.3	191.6	22.2
	Belgium	1.6	1.5	0.0	0.0	0.0	1.6	0.2
	England	131.9	57.4	61.0	31.5	22.6	247.0	28.7
	France	142.3	42.2	24.1	4.6	1.7	172.7	20.0
	Canada	20.8	0.0	6.9	3.5	3.5	34.7	4.0
	The Netherlands	49.4	49.2	10.9	0.2	0.0	60.5	7.0
	Poland	40.4	0.0	9.1	3.8	10.3	63.6	7.4
	Spain	62.9	0.0	20.3	6.0	0.0	89.2	10.4

<b>Total</b>	<b>544.9</b>	<b>150.3</b>	<b>203.6</b>	<b>66.7</b>	<b>46.4</b>	<b>861.6</b>	<b>100.0</b>
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\*- The figures comprise completely drawn loans and, for loans not yet made available in total, the drawn parts of the loans.  
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### Mortgage loans - Cover pool at market value

Development / Stress scenario

Date	Market value (cover pool)	Market value (mortgage Pfandbriefe)	Market value surplus cover in € m	Surplus cover in %	Market value (dynamic approach)			Surplus cover in % in the case of falling yields
					Surplus cover in € m in the case of rising yields	Surplus cover in % in the case of rising yields	Surplus cover in € m in the case of falling yields	
31.05.2006	5,577.03	4,709.82	867.21	18.41	681.27	14.91	1,083.72	22.32
30.04.2006	5,613.82	4,202.43	1,411.39	33.59	1,204.30	29.56	1,650.71	38.07
31.03.2006	5,150.96	4,484.62	666.34	14.86	512.86	11.73	839.23	18.24
28.02.2006	5,090.26	4,330.42	759.84	17.55	604.62	14.29	933.83	21.06
31.01.2006	4,868.26	4,220.63	647.63	15.34	495.58	12.00	817.30	18.94
31.12.2005	5,015.33	4,243.87	771.46	18.18	611.02	14.71	950.24	21.91
30.11.2005	5,078.69	4,122.27	956.42	23.20	782.72	19.37	1,148.82	27.30
31.10.2005	5,160.49	4,547.25	613.24	13.49	424.00	9.48	822.93	17.78
30.09.2005	5,318.82	4,649.87	668.95	14.39	471.03	10.31	888.32	18.76
31.08.2005	5,320.51	4,661.42	659.09	14.14	462.27	10.10	877.56	18.48
31.07.2005	5,290.00	4,628.00	662.00	14.30	504.00	11.04	834.00	17.77
30.06.2005	5,239.20	4,555.40	683.80	15.01	532.03	11.83	848.12	18.37
31.05.2005	5,100.54	4,146.51	954.03	23.01	804.10	19.64	1,115.57	26.56
30.04.2005	5,108.05	4,317.49	790.55	18.31	629.90	14.78	950.45	21.72
31.03.2005	4,969.25	4,172.34	796.91	19.10	622.86	15.16	973.35	22.97
28.02.2005	4,922.94	4,168.10	754.84	18.11	580.01	14.15	932.60	22.01
31.01.2005	4,947.91	4,176.32	771.59	18.48	623.90	15.59	919.38	21.65

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<b>Mortgage loans</b>						
Breakdown of cover pool						
Surplus cover						
<b>all amounts in Euro m</b>						
<b>Date</b>	<b>Mortgage Pfandbriefe outstanding</b>	<b>cover</b>	<b>Surplus cover</b>	<b>in %</b>	<b>Not yet serving as cover</b>	
31/05/2006	4,732.00	5,259.00	527.0	11.1	1,876.40	
30/04/2006	4,232.00	5,317.00	1,085.00	25.6	1,794.57	
31/03/2006	4,492.00	4,887.00	395.00	8.8	1,783.22	
28/02/2006	4,307.00	4,756.00	449.00	10.4	1,800.69	
31/01/2006	4,192.00	4,607.00	415.00	9.9	1,740.80	
31/12/2005	4,198.08	4,612.02	413.94	9.9	1,665.36	
30/11/2005	4,076.70	4,688.10	611.40	15.0	1,645.59	
31/10/2005	4,492.88	4,763.82	270.94	6.0	1,690.20	
30/09/2005	4,571.90	4,815.90	244.0	5.3	1,658.30	
31/08/2005	4,574.88	4,785.67	210.79	4.6	1,681.60	
31/07/2005	4,543.61	4,747.55	203.94	4.5	1,754.73	
30/06/2005	4,459.61	4,695.55	235.94	5.29	1,989.69	
31/05/2005	4,060.27	4,600.05	539.78	13.3	1,989.69	
30/04/2005	4,242.47	4,619.61	337.14	8.9	2,085.44	
31/03/2005	4,117.74	4,560.71	442.97	10.8	2,129.07	
28/02/2005	4,108.65	4,528.39	419.74	10.2	2,123.05	
31/01/2005	4,108.15	4,508.92	400.77	9.8	2,124.31	

\* For technical reasons (e.g. due to the absence of evidence that the loan is secured by a first mortgage). The loans are usually included in the cover pool within not more than three months.

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### Mortgage loans

Breakdown of non-cover assets  
Loans with a LTV > 60%

Loans with a LTV exceeding 60% are not eligible to serve as cover for mortgage Pfandbriefe.

Date	in %
31/05/2006	13.66
30/04/2006	13.77
31/03/2006	13.56
28/02/2006	13.47
31/01/2006	13.17
31/12/2005	12.98
30/11/2005	12.69
31/10/2005	12.63
30/09/2005	13.01
31/08/2005	13.20
31/07/2005	13.45
30/06/2005	13.38
31/05/2005	14.16
30/04/2005	13.91
31/03/2005	13.98
28/02/2005	14.05
31/01/2005	13.97

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## Mortgage loans

Breakdown of new lending commitments

Domestic loans by type of property, region and LTV

Commercial Properties in Euro m

31.03.2006

Purpose of property	Country*	LTV up to 60%	in %	of which used as cover	in %	LTV 61-80 %	LTV in %	LTV 81-90 %	LTV in %	LTV >90 %	Total	in %
Office and administrative buildings	Foreign countries	0.0	0.0	0.0	0.0	29.8	57.1	0.1	0.9	0.0	29.9	17.2
	West **	0.0	0.0	1.3	0.5	0.5	1.0	0.2	1.8	0.8	2.8	1.6
	East ***	0.6	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.3
Building sites	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	West **	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	East ***	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Factory buildings	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	West **	0.2	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1
	East ***	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shops	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	West **	65.4	96.5	0.0	0.0	21.8	41.8	10.8	97.3	42.4	140.4	80.6
	East ***	0.3	0.4	0.0	0.0	0.1	0.2	0.0	0.0	0.0	0.4	0.2
Hotels and restaurants	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	West **	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	East ***	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-residential	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

properties	West **	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	East ***	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ware- houses and exhibition buildings	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	West **	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	East ***	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total commercial properties	Foreign countries	0.0	0.0	0.0	0.0	29.8	57.1	0.1	0.9	0.0	0.0	0.0	29.9	17.2
	West **	66.9	98.7	0.0	0.0	22.3	42.7	11.0	99.1	43.2	100.0	143.4	82.2	
	East ***	0.9	1.3	0.0	0.0	0.1	0.2	0.0	0.0	0.0	0.0	1.0	0.6	
	<b>Total</b>	<b>67.8</b>	<b>100.0</b>	<b>0.0</b>	<b>0.0</b>	<b>52.2</b>	<b>100.0</b>	<b>11.1</b>	<b>100.0</b>	<b>43.2</b>	<b>100.0</b>	<b>174.3</b>	<b>100.0</b>	

## Residential Properties in Euro m

Purpose of property	Country*	LTV up to 60%	in %	of which used as cover	in %	LTV 61-80 %	LTV 81- 90 %	LTV in % >90 %	Total in %				
Owned houses	Foreign countries	0.5	0.1	0.0	0.0	0.2	0.8	0.0	0.0	0.7	0.2		
	West **	311.4	92.2	0.1	33.3	3.8	14.3	0.1	0.9	0.1	1.6	315.4	82.7
	East ***	5.4	1.6	0.0	0.0	0.4	1.5	0.0	0.0	0.0	0.0	5.8	1.5
Owned flats	Foreign countries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	West **	14.8	4.4	0.2	66.7	1.3	4.9	0.1	0.9	0.0	0.0	16.2	4.2
	East ***	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.1
Residen- tial con- struction for letting purposes	Foreign countries	3.8	1.1	0.0	0.0	20.8	78.2	10.4	98.1	6.3	98.4	41.3	10.8
	West **	1.0	0.3	0.0	0.0	0.1	0.4	0.0	0.0	0.0	0.0	1.1	0.3
	East ***	0.6	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.2
Total residential properties	Foreign countries	4.3	1.3	0.0	0.0	21.0	79.0	10.4	98.1	6.3	98.4	42.0	11.0
	West **	327.2	96.8	0.3	100.0	5.2	19.5	0.2	1.9	0.1	1.6	332.7	87.2
	East ***	6.4	1.9	0.0	0.0	0.4	1.5	0.0	0.0	0.0	0.0	6.8	1.8
	<b>Total</b>	<b>337.9</b>	<b>100.0</b>	<b>0.3</b>	<b>100.0</b>	<b>26.6</b>	<b>100.0</b>	<b>10.6</b>	<b>100.0</b>	<b>6.4</b>	<b>100.0</b>	<b>381.5</b>	<b>100.0</b>

Total mortgage loans	Country*	LTV up in % to 60%	of which used as cover	in %	LTV 61-80 %	LTV 81-90 %	in % >90 %	LTV in %	Total in %				
	Foreign countries	4.3	0.0	0.0	50.8	10.5	14.6	6.3	8.7	71.9	12.9		
	West **	394.1	82.8	0.3	100.0	27.5	5.8	11.2	2.4	43.3	9.0	476.1	85.7
	East ***	7.3	93.5	0.0	0.0	0.5	6.5	0.0	0.0	0.0	0.0	7.8	1.4
	<b>Total</b>	<b>405.7</b>	<b>73.0</b>	<b>0.3</b>	<b>100.0</b>	<b>78.8</b>	<b>14.2</b>	<b>21.7</b>	<b>3.9</b>	<b>49.6</b>	<b>8.9</b>	<b>555.8</b>	<b>100.0</b>

\* - The figures comprise completely drawn loans and, for loans not yet made available in total, the drawn parts of the loans. Lending commitments are not taken into account.

\*\* - West German Federal States including Berlin

\*\*\* - East German Federal States

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### Mortgage loans

Breakdown of new lending commitments  
Foreign loans by type of property, country and LTV

Commercial Properties in Euro m		31.03.2006						
Mortgage loans	Country*	LTV up to 60%	of which used as cover	LTV 61-80%	LTV 81-90%	LTV >90%	Total	in %
Office and administrative buildings	United States	0.0	0.0	29.8	0.1	0.0	29.9	100.0
Total commercial properties	United States	0.0	0.0	29.8	0.1	0.0	29.9	100.0
<b>Total</b>	<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>29.8</b>	<b>0.1</b>	<b>0.0</b>	<b>29.9</b>	<b>100.0</b>

Residential Properties in Euro m

31.03.2006

Residential Properties in Euro m		31.03.2006						
Purpose of property	Country*	LTV up to 60%	of which used as cover	LTV 61-80%	LTV 81-90%	LTV >90%	Total	in %
owned houses	Austria	0.5	0.0	0.2	0.0	0.0	0.7	1.7
Residential construction for letting purposes	United States	3.8	0.0	20.8	10.4	6.3	41.3	98.3
Total residential properties	Austria	0.5	0.0	0.2	0.0	0.0	0.7	1.7
	United States	3.8	0.0	20.8	10.4	6.3	41.3	98.3
<b>Total</b>	<b>Total</b>	<b>4.3</b>	<b>0.0</b>	<b>21.0</b>	<b>10.4</b>	<b>6.3</b>	<b>42.0</b>	<b>100.0</b>

Total in Euro m

31.03.2006

**Mortgage loans**      **Country\***      **LTV**      **of**      **LTV**      **LTV**      **Total**      **in %**



	up to 60%	which used as cover	61- 80%	81- 90%	>90%
United States	3.8	0.0	50.6	10.5	6.3
Austria	0.5	0.0	0.2	0.0	0.0
<b>Total</b>	<b>4.3</b>	<b>0.0</b>	<b>50.8</b>	<b>10.5</b>	<b>6.3</b>
					<b>71.9</b>
					<b>100.0</b>

\* - The figures comprise completely drawn loans and, for loans not yet made available in total, the drawn parts of the loans. Lending commitments are not taken into account.

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Home
Investor Relations
Credit Research
<b>Bonds &amp; Notes</b>
Our Treasury Department
Jumbos/Globals
Debt Issuance Program
Commercial Paper Program
Bloomberg & Reuters Information
Securities Prospectus
Financial Reports
International Real Estate Finance
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Info Pool
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**Bonds & Notes**

The German *Pfandbrief*

During the past 100 years, *Pfandbrief* investors have never failed to receive full repayment – a clear proof of the *Pfandbrief*'s high level of safety. This is just one reason why *Pfandbriefe* account for as much as 26.2% of all fixed income securities in Germany and have also become more and more popular with international investors.

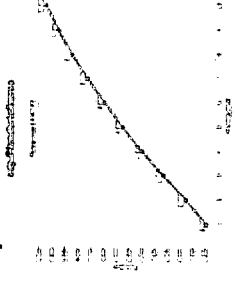
In recent years the *Pfandbrief* market has seen significant changes due to the increasing volume of *Pfandbriefe* that are issued in the form of Jumbos and Globals. In autumn 2003 the *Pfandbrief* issuers within the Association of German *Pfandbrief* Banks (vdp) agreed upon an amendment of the minimum standards for issuing Jumbo *Pfandbriefe*. The new standards envisage a minimum size of €750m for a newly issued Jumbo *Pfandbrief*, instead of previously €500m. Further, the issuer must increase the issue size to at least €1bn within 180 calendar days. Moreover, buybacks of Jumbo *Pfandbriefe* have been included in the minimum standards and subjected to strict transparency requirements. This requirement safeguards the status of Jumbo *Pfandbriefe* as a highly liquid market segment.

The updated minimum standards for the issuance of Jumbo *Pfandbriefe* enter into force with immediate effect, the Federal Cartel Office (Bundeskartellamt) having raised no objections.

More detailed information on the new minimum standards for the issuance of Jumbo *Pfandbriefe* is available on the website of the Association of **German Pfandbrief Banks**.

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**Mortgage Pfandbrief rating upgraded**

On December 12, 2005,

Moody's Investors Service

upgraded the rating of Essen

Hyp's mortgage Pfandbriefe

from Aa2 to Aa1.

[» more](#)

**Essen Hyp rating upgraded from A- to A**

On November 3, 2005

FitchRatings upgraded the

bank's credit ratings to long-

term A with stable outlook from A- and short-term F1 from F2.

» **more (PDF)**

#### **Public-sector Pfandbrief rating upgraded**

With effect from February 17, 2005 Moody's upgraded the rating of Essen Hyp's public-sector Pfandbriefe to Aaa. As a result Essen Hyp's public-sector Pfandbriefe are now rated triple A by all major rating agencies.

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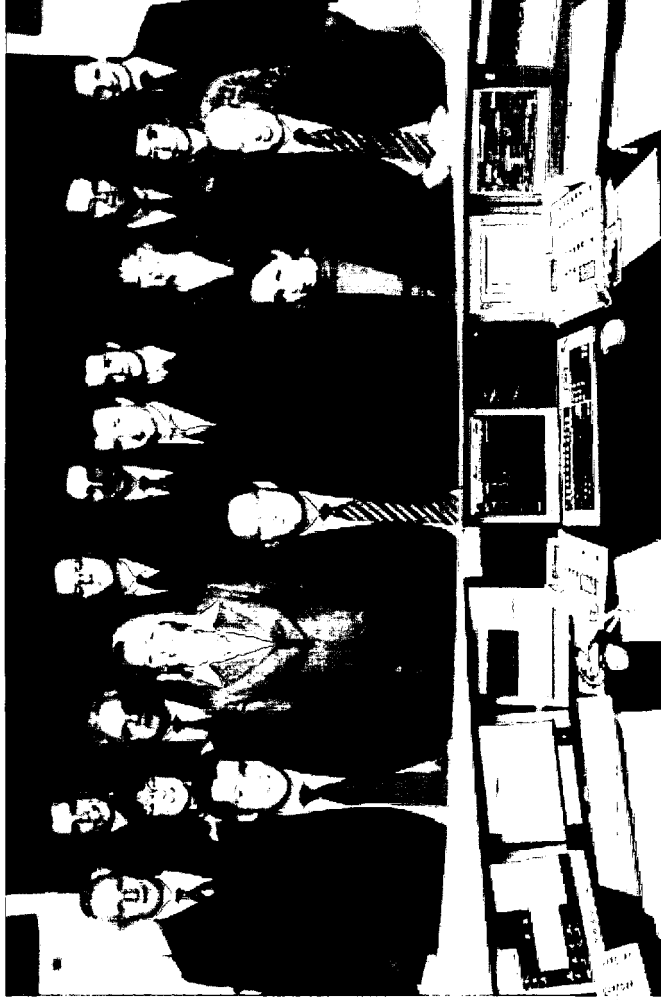
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Home

Investor Relations

Credit Research

**Bonds & Notes**

Our Treasury Department

» Jumbos/Globals

Debt Issuance Program  
 Commercial Paper Program  
 Bloomberg & Reuters  
 Information  
 Securities Prospectus

Financial Reports

International Real Estate

Finance

Company

Info Pool

Contact

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Jumbos / Globals and their Increases  
 Amounts in EUR m Status: 30.03.2006

Security no	Increases			Issuing volume	Coupon	Maturity	Issue Date	Market makers	Ratings	
	by	on							S&P/ Moody's	Fitch
257 412	233	07/01	1,000	4,750	29/06/06	22/06/98		1-3/5/6/11-13	AAA/Aaa	AAA
A0A C5V	500	05/04	2,500	2,75	21/11/06	21/01/04		1-6/8/13/14/18/24/26	AAA/Aaa	AAA
257 359	2.506	03/00	3,017	5,500	20/02/07	13/02/97		1/4/5/6/8	AAA/Aaa	AAA
802 308	750	04/05	2,750	2,750	25/07/07	14/07/03		1-6/13-15/18/25/26	AAA/Aaa	AAA
257 402	511	03/98	1,023	5,250	22/01/08	15/01/98		1/2/4/5/7/10	AAA/Aaa	AAA
HBE 0BQ	250	01/06	1,750	2,750	11/03/08	11/03/05		1/6/18/27	AAA/Aaa	AAA
A0A 71Z	1,000		1,000	3,25	19/05/08	18/05/04		3/15/25/28	AAA/Aaa	AAA
A0A Y3F	500	02/06	2,500	3,000	17/06/08	10/03/04		1-3/5/6/13-15/18/25-27	AAA/Aaa	AAA
257 414	767		767	4,750	11/08/08	04/08/98		1/4/11/13/14/20	AAA/Aaa	AAA
169 713	2,200		2,200	3,500	26/09/08	17/09/03		1-6/13-15/18/25/26	AAA/Aaa	AAA
257 424	2,000		2,000	4,000	19/01/09	11/01/99		1-3/5/6/8/10/11/14/20	AAA/Aaa	AAA
HBE 0BA	2,000		2,000	2,75	27/02/09	19/01/05		1-6/8/14/15/18/25/29	AAA/Aaa	AAA
257 433	2,000		2,000	4,250	06/07/09	11/05/99		1-6/10/11/23	AAA/Aaa	AAA
HBE 0F1	2,500		2,500	3,000	28/09/09	19/01/06		1-6/9/11/14/18/25/27	AAA/Aaa	AAA
HBE 0AJ	2,000		2,000	3,25	17/11/09	17/11/04		1/5/18/26	AAA/Aaa	AAA
HABE 0E6	1,500		1,500	3,000	17/02/10	10/11/05	1/3/5/9/10/11/14/15/19/22/25/28	AAA/Aaa	AAA	AAA
HBE0DE	1,250		1,250	2,50	05/07/10	05/07/05		1/4/5/14	AAA/Aaa	AAA
257 461	5,000		5,000	5,250	17/01/11	15/01/01		1-11/14/15/17/18	AAA/Aaa	AAA
HBE 0EK	1,000		1,000	2,750	21/09/11	14/09/05		3/15/25/28	AAA/Aaa	AAA

1=Commerzbank, 2=HypoVereinsbank, 3=DZ Bank, 4=HSBC, 5=Dresdner Kleinwort Benson, 6=Deutsche Morgan

Grenfell, 7=Salomon Brothers, 8=ABN AMRO Bank, 9=Société Générale, 10=Westdeutsche Landesbank,  
11=Goldman Sachs, 12=Landesbank Sachsen, 13=Merrill Lynch, 14=Morgan Stanley, 15=CDC Ixis, 16=Bank-  
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---

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---

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- Bonds & Notes**
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**Bonds & Notes**

Essen Hyp EUR 30,000,000,000 Debt Issuance Program (DIP)

Essen Hyp's €30bn Debt Issuance Program, which was launched on May 28, 1998 and increased to €30bn in April 2006, aims to facilitate Essen Hyp's funding on the international capital markets.

The main intention of this Program is to provide structured financing transactions. However, any underlying risk exposure of a structured deal must be hedged against. In general, the required swap will be entered into with the dealer proposing the transaction. As a rule, each swap counterparty must have a minimum rating of AA- (S&P).

Jumbo *Pfandbriefe*, Global public-sector *Pfandbriefe* and similar benchmarks are launched outside the DIP.

The Program allows international fund-raising in almost any currency by means of a syndicated or non-syndicated, public or private placement. Funding proceeds are swapped back into EURIBOR. Pursuant to the German Mortgage Bank Act, Essen Hyp as a mortgage bank is not allowed to run any currency risks.

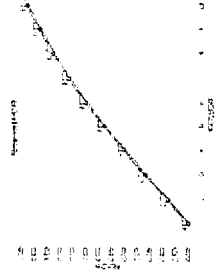
Maturities under this Program can reach up to 30 years, depending on the type of transaction. There is no specific maturity target.

Notes, including public-sector *Pfandbriefe*, may be issued in bearer or registered form. Depending on the agreement between issuer and dealer, Notes can be launched as Fixed Rate Notes, Floating Rate Notes, Indexed Notes, Dual Currency Notes or Zero Coupon Notes. The minimum volume per drawing is €5m.

Essen Hyp's DIP is listed on the Luxembourg stock exchange. The terms and conditions of the DIP also provide for a listing of bearer notes (including public-sector *Pfandbriefe*) on the Düsseldorf stock exchange, or any other stock exchange. Registered Notes (including public-sector *Pfandbriefe*) are not listed on any stock exchange.

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**Mortgage Pfandbrief rating upgraded**

On December 12, 2005, Moody's Investors Service upgraded the rating of Essen Hyp's mortgage Pfandbriefe from Aa2 to Aa1.  
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**Essen Hyp rating upgraded from A- to A**

On November 3, 2005 FitchRatings upgraded the bank's credit ratings to long-



The following ratings have been assigned to the Notes listed under Essen Hyp's Debt Issuance Program:

	<b>Standard &amp; Poor's</b>	<b>Moody's</b>
Public-sector Pfandbriefe	AAA	Aaa
Senior Unsecured Debt	A-	A2
Subordinated Debt	BBB+	A3

**The Program is governed by German Law.**

Our Debt Issuance Program has been arranged by Commerzbank and Merrill Lynch International. The dealers are ABN AMRO, Barclays Capital, Calyon, Citigroup, Commerzbank, Deutsche Bank, Goldman Sachs International, HSBC Trinkaus & Burkhardt, Lehman Brothers, Merrill Lynch International, Morgan Stanley, UBS Warburg and SG Investment Banking. The Program allows for reverse inquiry. Bids are welcome.

For further information please contact our Treasury Department or look at our latest » **Information Memorandum**.

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Global Head of Treasury	Products
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term A with stable outlook from A- and short-term F1 from F2.  
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**Public-sector Pfandbrief rating upgraded**  
With effect from February 17, 2005 Moody's upgraded the rating of Essen Hyp's public-sector Pfandbriefe to Aaa. As a result Essen Hyp's public-sector Pfandbriefe are now rated triple A by all major rating agencies.  
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[Financial Reports](#)

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**Bonds & Notes**

Essen Hyp EUR 5,000,000,000 Commercial Paper Program

Following the launch of its €5bn Commercial Paper Program in December 1998, Essen Hyp has been able to issue short-term notes since the beginning of 1999.

Essen Hyp actively uses this Program in order to ensure flexible funding at low cost.

The Program allows drawings in EUR and any other internationally recognized currencies, as agreed between Essen Hyp and the dealer(s). The Notes that are issued under the Program must have a maturity of not less than two days. Clearing can be made through Euro Clear and Clearstream Banking. In accordance with the existing legal and regulatory requirements, the maximum maturity in both cases is two years less one day. The minimum amount of the Notes is €2.5m. There is no issuance of Definitive Notes under this Program.

One of the special features of the Program is that it allows for the issuance of

- Fixed-Rate Notes or
- Floating Rate Notes or
- Discounted Notes

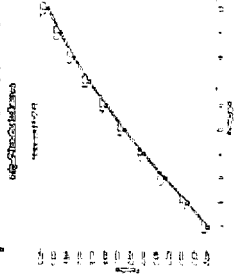
all of which may be listed on a German stock exchange. The Notes may be deposited with the European Central Bank as Tier 1 securities.

Unless otherwise agreed, Floating Rate Notes under the Program have a maturity of at least six months and a minimum period of three months between two interest payment dates. Unless otherwise agreed, the EURIBOR is taken as the reference rate.

The Program itself is listed on the official market of the Düsseldorf stock

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May 2006

» [more](#)

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exchange. Individual Notes may be listed with official quotations on the Düsseldorf stock exchange, or on any other stock exchange. However, Notes to be listed must have a minimum maturity of three months.

The Program offers a high degree of flexibility for both the dealer(s) and the issuer. Further day-to-day dealers are welcome.

Rating: Standard & Poor's: A-2 (Standard & Poor's)  
P-1 (Moody's)

Arranger:  
Commerzbank AG

Frequent dealers:  
Commerzbank AG, Deutsche Bank AG, Barclays London

Day-to-day dealer:  
Calyon, Paris; Citigroup, London; Dresdner; DZBank, FFM; Goldman Sachs, London; Ixis Corp & Inv. Bank, FFM; JP Morgan Chase, London; Lehman Brothers, London; SEB, Frankfurt.

The Program is a supplement to Essen Hyp's Debt Issuance Program, which was signed in May 1998 and increased to €20bn in July 2002.

For further information please contact Essen Hyp's Money Market Desk:

**Heidi Riedel**  
Deputy Head of Treasury  
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term A with stable outlook from A- and short-term F1 from F2.  
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90

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[International Real Estate](#)

[Finance](#)

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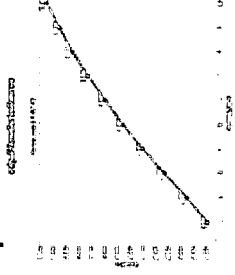
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May 2006

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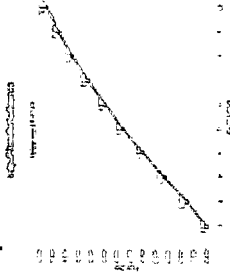
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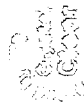
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[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

[Company](#)

[Info Pool](#)

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**Bonds & Notes**

[Securities Prospectus](#)

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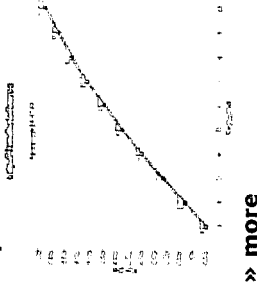
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Last update

May 2006

» [more](#)

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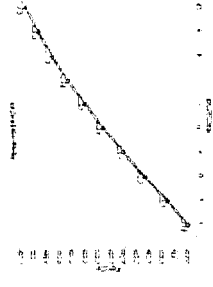
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 May 2006  
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  - [Contact](#)

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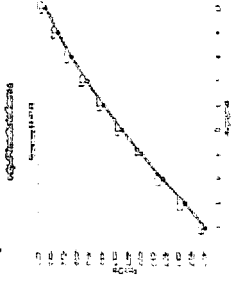
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- March 22, 2007 Press Conference on the 2006 Annual Accounts and publication of the German version of our 2006 Annual Report
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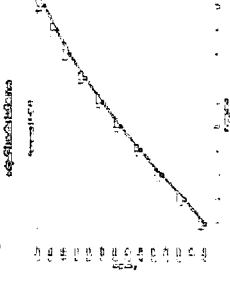
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Home
Investor Relations
Credit Research
Bonds & Notes
Financial Reports
<b>International Real Estate Finance</b>
Borrower-specific Financing-Structures
Specialist Knowledge
Contacts
Company
Info Pool
Contact

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Europe and North America

Whether office buildings or shopping malls – real estate financing has become a global business. Major first-class projects can only be put into practice at a profit if matching lenders are found on the international capital markets. Investors, developers and real estate companies look for banking partners who are familiar with the highly complex real estate business. Developing successful strategies that ensure maximum planning security requires the expertise of specialists. And these specialists are at your disposal at Hypothekenbank in Essen AG (Essen Hyp) – because our real estate markets are global.

Bringing in their knowledge of the individual countries and real estate market segments, our experts from various departments will, together with you, work out a tailored and innovative financing structure for your project – for existing properties and future investments alike. Available options include loan volumes from ten million euros (or the equivalent amount in foreign currencies) to several hundred million euros, terms of up to 10 years or more, fixed or floating interest rates. Essen Hyp participates in loan syndicates, but is also prepared to act as a stand-alone lender. We will accompany your project right from the start. Further to our expertise, we offer you a committed team and competitive loan terms: as a mortgage bank, Essen Hyp is entitled to issue *Pfandbriefe* and thus benefits from excellent funding opportunities.

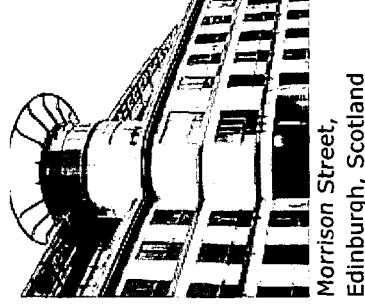
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In addition to mortgage lending in Germany, our core activity is the granting of loans on the West European and North American real estate markets, mainly concentrating on Great Britain, France, Belgium, the Netherlands, Spain, Switzerland, the United States and Canada. Essen Hyp is thus active on the world's most important real estate markets.

We are particularly interested in properties that benefit from a good

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Morrison Street, Edinburgh, Scotland

"The Exchange" is an up-and-coming office district in the center of Edinburgh. Essen Hyp participates in the financing of a state-of-the-art administrative building with a total office area of 50,000 sqm. The project was completed in 2001.



location in major West European and North American cities. By providing the necessary funds and developing loan structures that are tailored to the borrowers' specific requirements, we make an active contribution to the successful realization of each individual transaction. In addition to this, we are also prepared to support regional real estate projects.

Capable of dealing with selected projects.

The properties that interest us most are office buildings, logistics centers, shopping malls (provided that they are located in the catchment area of major cities and benefit from low vacancy rates) and multi-tenant residential properties. A particular focus is on existing properties that are fully let under long-term leases and to tenants of good standing. Our customers include leading national investors as well as well-known international borrowers who are active on international, national or regional real estate markets.

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Home
Investor Relations
Credit Research
Bonds & Notes
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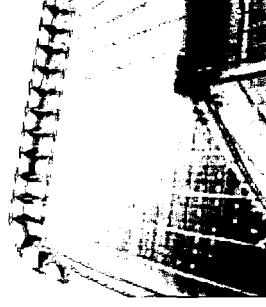
Borrower-specific financing structures

**Borrower-specific financing structures.**

Essen Hyp's international mortgage lending activities are bundled at our International Property Financing Desk. Our committed and efficient team will advise you of all relevant facts and decisions within a short period of time, so that you can put your plans into practice without delay. A basic decision will be made within a few days after receiving an enquiry for a loan. Having obtained and reviewed all documents needed for decision-making, we will issue an irrevocable lending commitment within a period of time agreed with you. The entire financing transaction – from counseling via loan commitment and disbursement to full redemption – will be accompanied by one particular internal expert who is familiar with all project-specific requirements and will always be at your disposal.

We are currently expanding our network of international representative offices so that you can additionally benefit from local contact partners. Establishing and maintaining fruitful and long-lasting customer relations always is the main objective of our efforts.

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City Point, London

With 37 floors, the City Point Tower is the second highest building in the City of London, benefiting from an excellent location. Essen Hyp participates as a syndicate partner in the financing of this property which was reopened in 1998. The building offers a total office area of 54,000 sqm, retail units totaling 4,700 sqm and storage space of 8,200 sqm.

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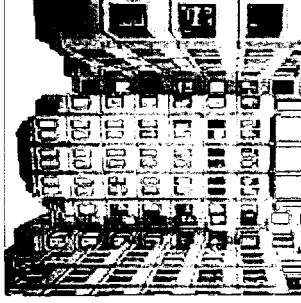
**Quality is the key to success.**

We see our task in providing you with specialist knowledge to ensure the long-term success of your project. Our credit decision is based on the in-depth analysis and evaluation of all risks that are inherent in a transaction. Important factors to be looked at are the state of the property, location, investment profitability and tenant credit quality. Each property to be financed is appraised by our internal appraisers or by external specialists who are based in the region concerned and have to give evidence of their qualification and their experience with regard to the respective property type. The question as to whether a property can be used for multiple purposes and the cash flows from rental income are the most important parameters in our project analyses. We are only prepared to accept a loan transaction if our analysis comes to the conclusion that the project meets our high requirements for profitability and safety and that the risks are calculable over the long term.

The standard securities we require for providing a loan include a first-ranking mortgage over the property, the assignment of rental income and insurance proceeds and, in certain cases, additional securities to be agreed individually.

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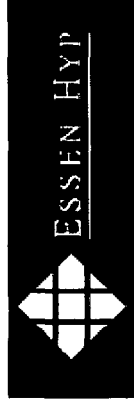


Long Acre, London

In Central London, a few steps from the famous

Covent Garden, Essen Hyp participates as a syndicate partner in the financing of an office building (total office area of 18,000 sqm), which will be fully restored by 2003. All offices will allow a flexible room shaping and design, thus meeting the needs of first-class companies with specific requirements.

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



20 www.essenhyp.de

---

Home

---

Investor Relations

---

Credit Research

---

Bonds & Notes

---

Financial Reports

---

**International Real Estate Finance**

---

Borrower-specific Financing-Structures

---

Specialist Knowledge

---

» Contacts

---

Company

---

Info Pool

---

Contact

---

## International Real Estate Finance

### Contacts

▷ **Download Brochure (PDF) "In the Spotlight: International Real Estate Projects"**

**Thomas Link** has been working as an attorney in the international real estate business for several years. Based on this expertise, he is tasked with the systematic project analysis and smooth handling of transactions. As Relationship Manager, he maintains close contact with customers and partners, as well as with external law firms and appraisers. In order to ensure a functioning workflow he acts as the intermediary between all parties involved in the loan process.



▷ **Thomas Link**

**Rainer Polenz** has been living and working in London for more than 20 years. In his function as the Head of Department of a German bank, he gained a deep understanding of the UK real estate market. Mr. Polenz now heads Essen Hyp's UK representative office. He is in charge of customer relations and product marketing, establishing and maintaining close contacts with the national and international banks that are active on the UK real estate market. In addition, he monitors the development of the projects in which Essen Hyp is involved.



▷ **Rainer Polenz**

If you require further information, please do not hesitate to contact us for specific and personalized advice:

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[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)





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## Your Partner in International Real Estate Financing

More than ever the key to success in national and international real estate financing is to find a syndicate partner who is able to make quick decisions and to develop and implement innovative financing strategies. A partner, such as Hypothekbank in Essen AG.

Quick decision-making and efficiency are of paramount importance to us. This is why our International Real Estate Finance Department reports directly to our Board of Managing Directors, allowing us to reach a basic decision on any loan application within only a few days. Essen Hyp always exploits its full financial potential. When arranging syndicate transactions we pool the know-how of our financial experts, real estate specialists, treasurers and lawyers in order to quickly develop financing structures that are characterized by fair loan terms and a high degree of predictability.

This brochure gives you an overview of our business activities and financing terms. In line with current developments in the banking industry, our main objective is to increase our financing activities in Western Europe and North America. We stand out by making full use of our key competitive edge – quick decision-making.

Just rely on the facts – and on a trustworthy partner.

# International Real Estate Financing – Our Organizational Structure

## Essen Hyp international

The headquarters of Hypothekbank in Essen AG is located in Essen, in the very heart of the Ruhr area. Essen Hyp currently has representative offices in London, Paris and Brussels.

## Essen Hyp's real estate financing activities – key figures

Far-sightedness is the basis of the success of Hypothekbank in Essen AG. With a balance sheet total of approx. €93bn as of December 31, 2005, we are one of the biggest German mortgage banks. The total volume of mortgage loans granted by Essen Hyp currently stands at more than €7.1bn. It is our objective to continuously increase and diversify our real estate portfolio.



## Contact

Your contacts for any suggestions and queries relating to international real estate finance are either our local representative office or:

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Real Estate Finance – Marketing  
Head of International Division  
Director  
Tel.: +49 201 8135-480  
Fax: +49 201 8135-295  
E-mail: [thomas.link@essenhyp.com](mailto:thomas.link@essenhyp.com)

# Our Financing Strategy

## Focus on selected markets

Our customers include leading institutional investors, as well as well-known real estate companies, developers and residential construction companies. Our preferred markets are major cities in the United Kingdom, Belgium, the Netherlands, Luxembourg, France, Spain, the United States and Canada.

## Real estate projects with excellent prospects

Our main focus is on office buildings, multi-family projects, shopping malls and logistics centers, as well as on portfolios composed of these types of properties. In addition to this we finance first-class management properties, such as hotels run and guaranteed by leading international hotel companies.

## Our preferred financing transactions

Above all we are looking for senior loans – as a rule, up to 80% of the market value in Europe and up to 75% in North America. Furthermore, our product range includes foreign-currency loans, mezzanine loans, junior loans, the refinancing of existing properties and bridge loans.

## Basic terms and conditions

As a rule we offer loan terms of up to 15 years. Longer terms might be possible in exceptional cases. The cost of funds can be determined on the basis of fixed or floating interest rates, including additional features such as caps, floors or other rate-hedging instruments. We are also prepared to agree upon cost of funds on a forward basis. Repayment rates depend on the loan to value, the type of property and the loan term.

## Loan security

Depending on the type of loan, we require standard security, such as a first or second mortgage, the assignment of rental income and insurance proceeds, the pledge of shares in the borrower or a cost overrun guarantee. This list is not exhaustive, which means that other types of security might have to be agreed for certain transactions.

Our covenants include:

- LTV below 80% (for the United States and Canada below 75%)
- IC of at least 115% (for the United States and Canada of at least 140%)
- DSC of at least 110% (for the United States and Canada of at least 120%)
- rate-hedging instruments in the case of variable interest rates
- property insurance as is customary in the country concerned  
(including the assignment of insurance proceeds to the financing credit institutions)
- sufficient authority to monitor the use of funds and influence decision-making,  
especially in the case of cash flow based SPV financings
- satisfactory information on the borrower and the property

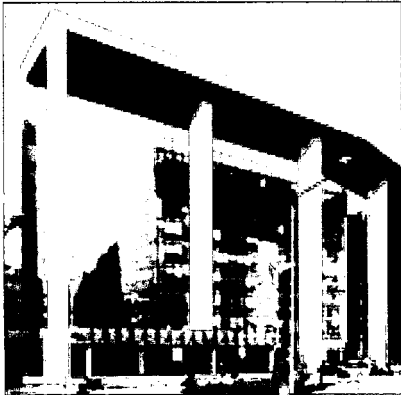
Essen Hyp acts as agent, (co-)arranger, (co-)underwriter or syndicate partner. We are permitted to underwrite up to €290m, which is the legal limit for large exposures applicable to our bank. The minimum participation amount we accept is €10m.

Our real estate financing activities and our bank in general are described in more detail further on. Additional information can be retrieved from our website [www.essenhyp.com](http://www.essenhyp.com).

## Syndicated Loans for Successful Real Estate Projects

Setting up loan syndicates in cooperation with partner banks, which aim to ensure the success of first-class real estate projects, is a key element in our work. Our bank is the perfect partner when it comes to finding joint solutions for large-volume financing transactions and developing innovative strategies to put ambitious projects into practice. Ensuring a high degree of risk diversification is, in every case, of paramount importance for us.

Establishing and maintaining fruitful and long-term business relationships is always our main objective. Our syndication staff report directly to the Board of Managing Directors, which ensures quick decision-making. This efficiency will help you to put your plans into practice without delay. Provided you are satisfied with our basic decision, just send us the documents required for making the final decision so that we can complete the due diligence process. You will then receive a binding offer within a period of time agreed with you.



Arcs de Seine, Paris, France

This office building, which was partly financed by Essen Hyp, is located south west of the city center of Paris. It was completed in 2001 and offers a total floor area of 45,151 sqm.

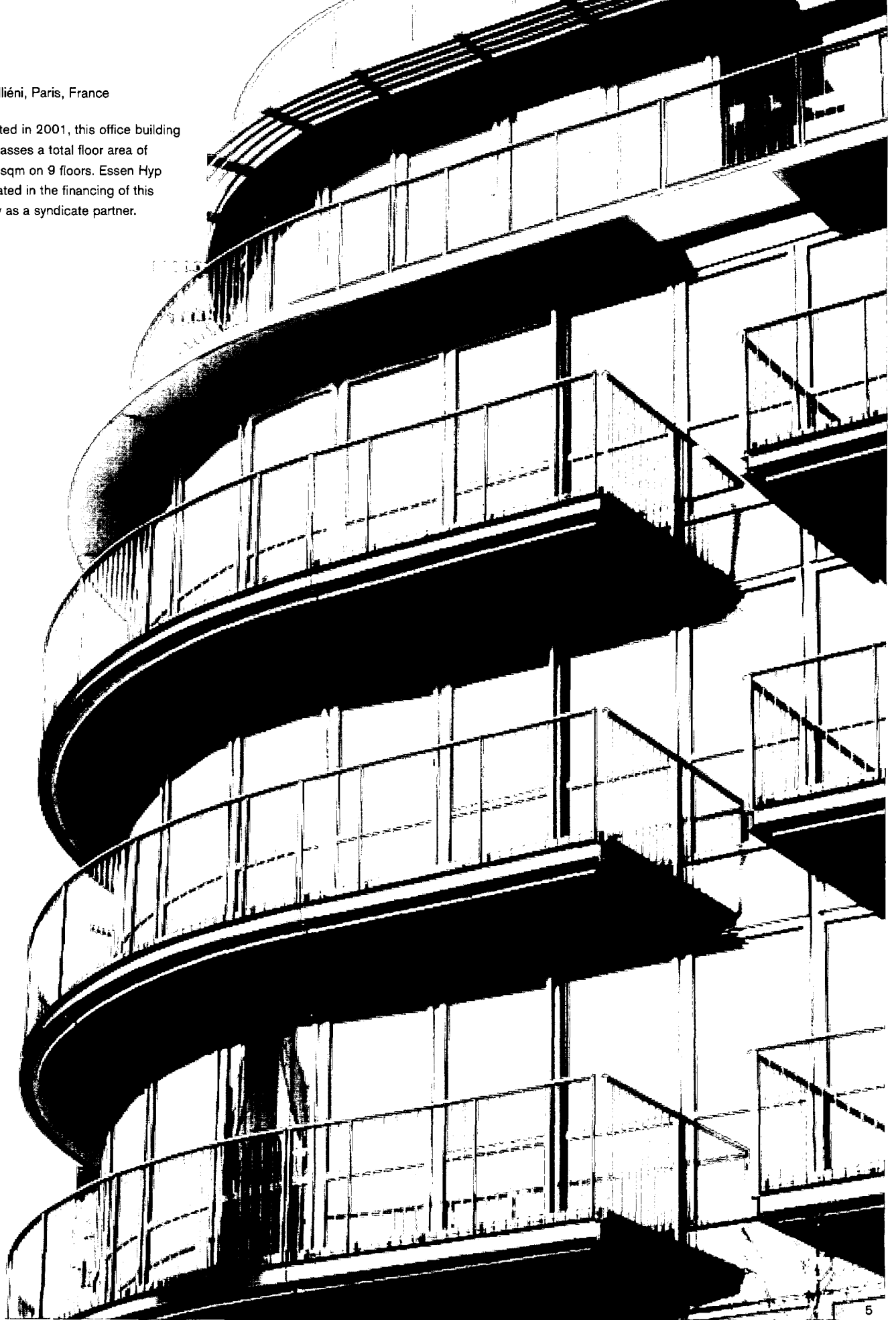
## Far-sighted Financing Transactions

Our aim is to provide you with the specialist knowledge necessary to ensure the long-term success of your projects. The sustainable value of the property and its long-term risk profile are key determinants in our credit decision. This is why we thoroughly analyze each individual property and its tenants. This covers aspects such as the quality of the property, its location, investment profitability and the credit quality of the tenants. The question as to whether a property can be used for multiple purposes, together with the cash flows from rental income (including stress scenarios), are the most important parameters in our project analysis.

Additionally, each property to be financed is appraised by our in-house experts.

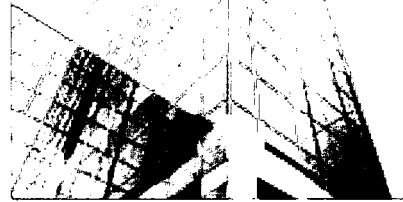
Rue Galliéni, Paris, France

Completed in 2001, this office building encompasses a total floor area of 10,208 sqm on 9 floors. Essen Hyp participated in the financing of this property as a syndicate partner.



Thomas More Square, London, England

This building complex, which was financed by Essen Hyp, is situated at St. Katharine Dock on the River Thames, thus benefiting from an excellent location between the City and Docklands. The property has a total office area of 44,500 sqm, retail units totaling 2,500 sqm and storage space totaling 2,500 sqm.



## Hypothekenbank in Essen AG

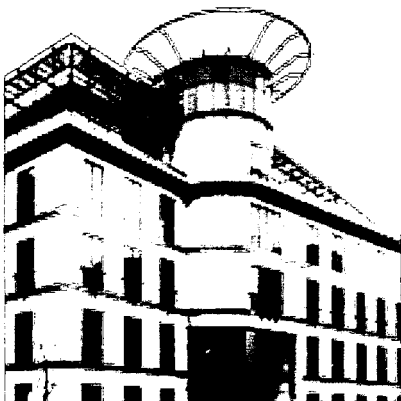
Far-sightedness is the basis for the success of Hypothekenbank in Essen AG, whose core activities are public-sector and mortgage lending. Established as a specialist bank in 1986, Essen Hyp soon became one of the leading German mortgage banks. It is part of the business strategy of our bank to expand our national and international real estate financing activities.

With a balance sheet total of approx. €93bn as of December 31, 2005, Essen Hyp today ranks amongst the biggest German mortgage banks.

Thanks also to our benchmark Jumbo and Global *Pfandbrief* issues, the German *Pfandbrief*, our key funding instrument, has become an investment vehicle that is highly appreciated on the international capital markets. Today, the *Pfandbrief* market is one of the world's most important non-government bond markets.

The leading international rating agencies acknowledge the excellent quality of the *Pfandbriefe* issued by Hypothekenbank in Essen AG. Our public-sector *Pfandbriefe* were given the best possible rating of AAA by Standard & Poor's and FitchRatings. Moody's also confirms the high level of safety of Essen Hyp's public-sector *Pfandbriefe* by awarding an Aaa rating. Our website [www.essenhyp.com](http://www.essenhyp.com) enables our investors to carry out their individual credit research of our bank.

Essen Hyp currently runs representative offices in London, Paris and Brussels.

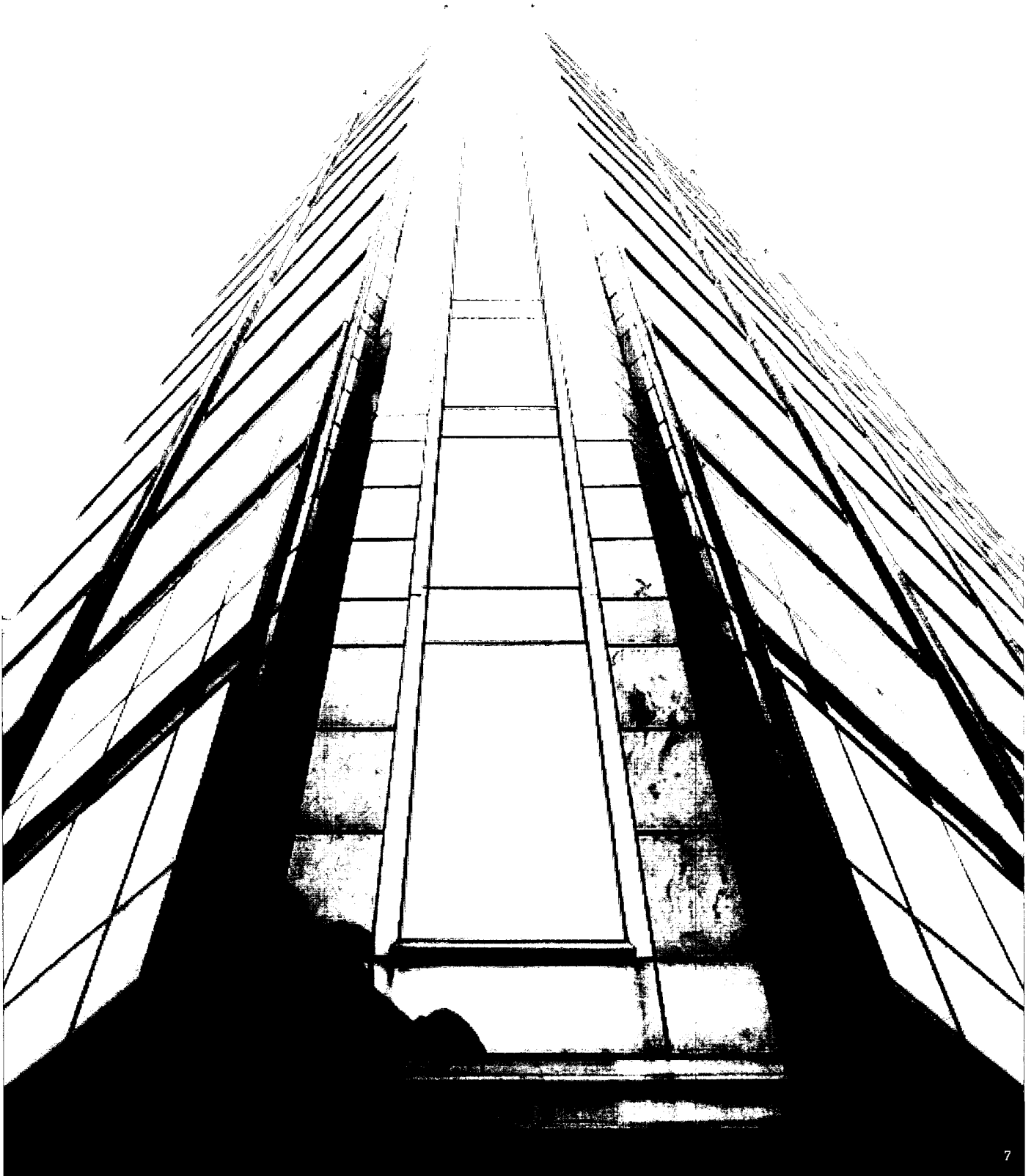


Morrison Street, Edinburgh, Scotland

'The Exchange' is an up-and-coming office district in the center of Edinburgh. Here Essen Hyp participates in the financing of a state-of-the-art administrative building with a total office area of 50,000 sqm. The project was completed in 2001.

Milton & Shire, London, England

Built in 1996, this office building is located on the northern edge of the City of London. Essen Hyp arranged the financing of an effective floor area totaling 42,500 sqm, with offices accounting for 39,800 sqm of this figure.







- [Home](#)
- [Investor Relations](#)
- [Credit Research](#)
- [Bonds & Notes](#)
- [Financial Reports](#)
- [International Real Estate](#)
- [Finance](#)
- [Company](#)**
- [Corporate Governance Code](#)
- [Organization Chart](#)
- [10 Successful Years in Retrospect](#)
- [Committees](#)
- [Branches & Offices](#)
- [External Links](#)
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**Company**  
 Success needs far-sightedness

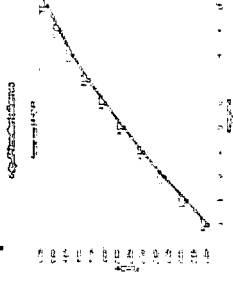
Success needs far-sightedness - guided by this motto, Hypothekenbank in Essen AG, which was founded in 1987, has become one of the leading mortgage banks in Germany within just one decade. The bank's business activities basically rest on two pillars: the granting of public-sector and mortgage loans. Our mortgage lending activities range from the extension of retail loans to finance detached or semi-detached houses or owned flats in Germany to the financing of large commercial properties on the domestic market, as well as abroad. To refinance these lending activities Essen Hyp is active on the national and international capital markets. In this context, one of our key objectives is to increase the popularity of our most important funding instrument, the Pfandbrief, with national and international investors. The fact that we have been awarded excellent ratings from the three leading rating agencies is just one proof of the quality of our work. Essen Hyp's most important shareholder is the Commerzbank AG.

You can find more detailed information on our bank, its management and its business activities on the following pages. Should you have any further questions please feel free to **contact** us and we will be happy to provide you with any information you require.

▷ 15 Years of Hypothekenbank in Essen AG

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)

**vdp-Pfandbrief Curve**



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**Essen Hyp's Chief Economist Dirk Chlensch ranked as one of the top forecasters** » [more](#)

**Mortgage Pfandbrief rating upgraded**

On December 12, 2005, Moody's Investors Service upgraded the rating of Essen Hyp's mortgage Pfandbriefe from Aa2 to Aa1.  
 » [more](#)

**Essen Hyp rating upgraded from A- to A**

On November 3, 2005 FitchRatings upgraded the bank's credit ratings to long-

term A with stable outlook from A- and short-term F1 from F2.

» **more (PDF)**

**Public-sector Pfandbrief rating upgraded**

With effect from February 17, 2005 Moody's upgraded the rating of Essen Hyp's public-sector Pfandbriefe to Aaa. As a result Essen Hyp's public-sector Pfandbriefe are now rated triple A by all major rating agencies.

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- [Home](#)
- [Investor Relations](#)
- [Credit Research](#)
- [Bonds & Notes](#)
- [Financial Reports](#)
- [International Real Estate](#)
- [Finance](#)
- [Company](#)
  - [» Corporate Governance Code](#)
  - [Organization Chart](#)
  - [10 Successful Years in Retrospect](#)
  - [Committees](#)
  - [Branches & Offices](#)
  - [External Links](#)
  - [Imprint](#)
  - [Info-Pool](#)
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### Investor relations

Corporate Governance Code of Hypothekenbank in Essen AG

The German Corporate Governance Code Commission set up by the German government, presented the German Corporate Governance Code on February 26, 2002. This Code of best practice describes key statutory provisions for the management and supervision of German listed companies and embodies internationally and nationally recognized standards for good and responsible governance. It is intended to make the German system of corporate governance transparent and understandable, and also to promote the trust of international and national investors, customers, employees and the general public in the management and supervision of listed companies.

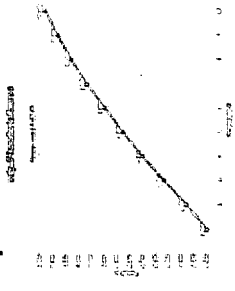
The shares of Essen Hyp are not listed on a stock exchange. This is why certain legal requirements and stipulations set out in the German Corporate Governance Code, which are applicable to German listed companies, are not relevant to Essen Hyp

Nevertheless, and in view of maximum transparency, Essen Hyp expressly welcomes and supports the German Corporate Governance Code and the goals and objectives it pursues. The Corporate Governance Code of Essen Hyp complies with most of the requirements set out in the German Corporate Governance Code. Given that Essen Hyp's shares are not listed on a stock exchange and that the bank is thus not in a position to satisfy those requirements of the Code that are mandatory for listed companies, the bank does not expressly state which recommendations of the Corporate Governance Code are not complied with for this reason.

- ▷ [Declaration of Conformity with the German Corporate Governance Code \(April 24, 2006\)](#) (PDF)
- ▷ [Corporate Governance Code of Hypothekenbank in Essen Aktiengesellschaft](#) (PDF)
- ▷ [Declaration of Compliance with the German Corporate Governance Code \(March 17, 2005\)](#) (PDF)

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**Essen Hyp's Chief Economist Dirk Chlensch ranked as one of the top forecasters** » [more](#)

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[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)

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**Public-sector Pfandbrief rating upgraded**

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**Interest Rate Forecast Meeting**

Economists and portfolio managers from all over Germany participate in these meetings and discuss the future interest rate and economic development.  
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## **Declaration of Conformity with the German Corporate Governance Code**

Preliminary remark: The shares of Hypothekbank in Essen Aktiengesellschaft (hereinafter also referred to as "Essen Hyp" or the "bank") are not listed on a stock exchange. At present, Hypothekbank in Essen Aktiengesellschaft has only two shareholder groups: Commerzbank Aktiengesellschaft, with a majority stake, and the Schuppli Group holding the remaining shares. Accordingly, certain legal requirements and stipulations set out in the German Corporate Governance Code, which are applicable to German listed companies, are not relevant to Essen Hyp.

Nevertheless, Hypothekbank in Essen Aktiengesellschaft expressly welcomes and supports the German Corporate Governance Code and the goals and objectives it pursues. The Corporate Governance Code of Hypothekbank in Essen Aktiengesellschaft complies with the recommendations of the German Governance Code Commission, first announced in the official section of the electronic version of the Federal Gazette (*Bundesanzeiger*) on August 20, 2002 and amended on June 2, 2005, except for those restrictions which relate to the fact that Essen Hyp is not a German listed company and does not produce consolidated accounts, and except also for the following recommendations:

Pursuant to Section 2.3.2 the bank shall inform all domestic and foreign shareholders, shareholders' associations and financial services' providers, who, in the preceding 12 months, have requested such notification, of the convening of the General Meeting, and shall provide them with the convention documents upon request, also using electronic channels. The shares of Hypothekbank in Essen Aktiengesellschaft are not listed on a stock exchange. Hypothekbank in Essen Aktiengesellschaft has only two shareholder groups: the Commerzbank Aktiengesellschaft and the Schuppli Group. All shareholders are known to the bank. This is why Essen Hyp makes use of the simplifications as regards the invitation to and convening of General Meetings laid down in the German Stock Corporation Act (*AktG*). Thus, Essen Hyp does not announce its General Meetings externally, e.g. in the Federal Gazette (*Bundesanzeiger*), and, contrary to the provisions laid down in Section 2.3.1, the agenda and the reports and documents required for the General Meeting are not published on Essen Hyp's company website.

Given that both shareholders are represented in the Supervisory Board and in the Presiding Committee as the committee responsible for the employment contracts of the members of the Board of Managing Directors, the Supervisory Board does not discuss and review the structure of the Board's compensation system as laid down in Section 4.2.2.

Contrary to Section 3.10 there is no yearly Corporate Governance Report in the bank's Annual Report.

Contrary to Section 4.2.4 the information and figures on the compensation of the members of the Board of Managing Directors are not individualized.

Pursuant to Section 5.3.2 the Supervisory Board shall set up an Audit Committee which, in particular, handles issues of accounting and risk management. As the Supervisory Board of Essen Hyp is composed of not more than 6 members, the Board refrained from setting up such an Audit Committee. Risk management issues are the responsibility of the Risk Committee of the Supervisory Board, which also deals with the bank's market, liquidity, credit, counterparty and operational risks, as well as with any other risks that do not belong to any of the

mentioned risk categories. Issues relating to the annual audit are addressed by the Supervisory Board itself.

Due to our bank's shareholder structure we have refrained from specifying an age limit within the meaning of Section 5.4.1.

Pursuant to Section 5.4.3 proposed candidates for the Supervisory Board chair shall be announced to the shareholders. Due to the fact, however, that no shares of Essen Hyp are in free flow or listed on a stock exchange and that the bank has only two shareholder groups, this provision is not relevant to Essen Hyp.

Contrary to Section 5.4.6 the information and figures on the compensation of the members of the Supervisory Board are not individualized.

Given that all shareholders carrying voting rights are directly or indirectly represented in the Supervisory Board, conflicts of interest are dealt with exclusively within the Supervisory Board in accordance with Section 5.5.2. Contrary to Section 5.5.3 such conflicts of interest are not formally dealt with at the General Meeting.

Due to the fact that no shares of Essen Hyp are in free flow or listed on a stock exchange, and that the bank does not have any stock option programs or comparable incentives in place, the provisions laid down in Sections 4.2.3, 6.6 and 7.1.3 of the German Corporate Governance Code are not relevant to Essen Hyp.

As long as Hypothekenbank in Essen Aktiengesellschaft compiles its Annual Accounts in accordance with the provisions of the German Commercial Code (*HGB*), it will not pass information to third parties by means of Annual Reports or Interim Reports compiled in accordance with the International Accounting Standards (IAS), as stipulated in Section 7.1.1. Apart from the Annual Accounts and Interim Reports, the two shareholder groups of the company receive additional information during the Supervisory Board meetings, so that the above reports are not the main source of information available to them.

Essen, April 24, 2006

The Board of Managing Directors

The Supervisory Board

## **Declaration of Compliance with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (*AktG*)**

Preliminary remark: The shares of Hypothekbank in Essen Aktiengesellschaft (hereinafter also referred to as “Essen Hyp“ or the “bank“) are not listed on a stock exchange. At present, the Hypothekbank in Essen Aktiengesellschaft has only two shareholder groups: Commerzbank Aktiengesellschaft, with a majority stake, and the Schuppli Group holding the remaining shares. This explains why certain legal requirements and stipulations set out in the German Corporate Governance Code, which are applicable to German listed companies, are not relevant to Essen Hyp.

Nevertheless, Hypothekbank in Essen Aktiengesellschaft expressly welcomes and supports the German Corporate Governance Code and the goals and objectives it pursues. The Corporate Governance Code of Hypothekbank in Essen Aktiengesellschaft complies with the recommendations of the German Governance Code Commission, announced in the official section of the electronic Federal Gazette (*Bundesanzeiger*) on May 21, 2003, except for those restrictions which relate to the fact that Essen Hyp is not a German listed company and does not produce consolidated accounts, and except also for the following recommendations:

Pursuant to Section 2.3.2 the bank shall inform all domestic and foreign shareholders, shareholders' associations and financial services' providers, who, in the preceding 12 months, have requested such notification, of the convening of the General Meeting, and shall provide them with the convention documents upon request, also using electronic channels. The shares of Hypothekbank in Essen Aktiengesellschaft are not listed on a stock exchange. Hypothekbank in Essen Aktiengesellschaft has only two shareholder groups: the Commerzbank Aktiengesellschaft and the Schuppli Group. All shareholders are known to the bank. This is why Essen Hyp makes use of the simplifications as regards the invitation to and convening of General Meetings laid down in the German Stock Corporation Act (*AktG*). Thus, Essen Hyp does not announce its General Meetings externally, e.g. in the Federal Gazette (*Bundesanzeiger*), and, contrary to the provisions laid down in Section 2.3.1, the agenda and the reports and documents required for the General Meeting are not published on Essen Hyp's company website.

Given that both shareholders are represented in the Supervisory Board and in the Presiding Committee as the committee responsible for the employment contracts of the members of the Board of Managing Directors, the Supervisory Board does not discuss and review the structure of the Board's compensation system as laid down in Section 4.2.2.

Contrary to Section 4.2.4 the information and figures on the compensation of the members of the Board of Managing Directors are not individualized.

Pursuant to Section 5.3.2 the Supervisory Board shall set up an Audit Committee which, in particular, handles issues of accounting and risk management. Given that the Supervisory Board of Essen Hyp is composed of not more than 6 members, the Board refrained from setting up such an Audit Committee. Risk management issues are the responsibility of the Risk Committee of the Supervisory Board, which also deals with the bank's market, liquidity, credit, counterparty and operational risks, as well as with any other risks that do not belong to any of the mentioned risk categories. Issues relating to the annual audit are addressed by the Supervisory Board itself.

Due to our bank's shareholder structure we have refrained from specifying an age limit within the meaning of Section 5.4.1.

Contrary to Section 5.4.5 the information and figures on the compensation of the members of the Supervisory Board are not individualized.

Given that all shareholders carrying voting rights are directly or indirectly represented in the Supervisory Board, conflicts of interest are dealt with exclusively within the Supervisory Board in accordance with Section 5.5.2. Contrary to Section 5.5.3 the General Meeting is not informed about such conflicts of interest.

Given that no shares of Essen Hyp are in free flow or listed on a stock exchange, and that the bank does not have any stock option programs or comparable incentives in place, the provisions laid down in Sections 4.2.3, 6.6 and 7.1.3 of the German Corporate Governance Code are not relevant to Essen Hyp.

As long as Hypothekenbank in Essen Aktiengesellschaft compiles its Annual Accounts in accordance with the provisions of the German Commercial Code (*HGB*), it will not pass information to third parties by means of Annual Reports or Interim Reports compiled in accordance with the International Accounting Standards (*IAS*), as stipulated in Section 7.1.1. Apart from the Annual Accounts and Interim Reports, the two shareholder groups of the company receive additional information during the Supervisory Board meetings, so that the above reports are not the only source of information available to them.

Essen, March 17, 2005

The Board of Managing Directors

The Supervisory Board



# Corporate Governance Code of Hypothekenbank in Essen Aktiengesellschaft, Essen

## 1. Preamble

### 1.1 Implementation of the German Corporate Governance Code.

The German Corporate Governance Code Commission (the “Code Commission”) set up by the German government, presented the German Corporate Governance Code on February 26, 2002. This Code of best practice describes key statutory provisions for the management and supervision of German listed companies and embodies internationally and nationally recognized standards for good and responsible governance. It is intended to make the German system of corporate governance transparent and understandable, and also to promote the trust of international and national investors, customers, employees and the general public in the management and supervision of listed companies.

The German Corporate Governance Code contains the following three elements:

- a presentation of applicable law
- recommendations of the Code Commission regarding the management and supervision of companies
- suggestions

This Code of best practice, as amended on June 2, 2005, has been officially published by the Federal Ministry of Justice, and is complemented by a provision in the German Stock Corporation Act (*AktG*) pursuant to which the Board of Managing Directors and the Supervisory Board of listed stock corporations (*Aktiengesellschaften*) are required to declare every year whether these recommendations were complied with and which recommendations were not applied (the “comply or explain declaration”).

The shares of Hypothekenbank in Essen Aktiengesellschaft (hereinafter also referred to as “Essen Hyp“ or “bank“) are not listed on a stock exchange. At present, Hypothekenbank in Essen Aktiengesellschaft has only two shareholder groups: Commerzbank Aktiengesellschaft, with a majority stake, and the Schuppli Group holding the remaining shares. This is why certain legal requirements and stipulations set out in the German Corporate Governance Code, which are applicable to German listed companies, are not relevant to Essen Hyp.

Nevertheless, Hypothekenbank in Essen Aktiengesellschaft expressly welcomes and supports the German Corporate Governance Code and the goals and objectives it pursues. The Corporate Governance Code of Hypothekenbank in Essen Aktiengesellschaft (hereinafter referred to as the “Code”) complies with the requirements set out in the German Corporate Governance Code, except from those restrictions which relate to the fact that Essen Hyp is not a German listed company and does not set up consolidated accounts.

The Code clarifies the rights of shareholders who provide Essen Hyp with the necessary equity capital and bear the entrepreneurial risk. At the same time, it presents the rules set out in the Articles of Association and the rules of procedure for the Supervisory Board and the Board of Managing Directors.

## **1.2 Board system of Hypothekbank in Essen Aktiengesellschaft**

A dual board system is prescribed by law for Hypothekbank in Essen Aktiengesellschaft as a German stock corporation.

The Board of Managing Directors is responsible for managing the company. Its members are jointly accountable for the management of the company, whereby the individual members are responsible for the areas assigned to them within the framework of Board resolutions. The Chairman of the Board of Managing Directors coordinates the work of the Board members. Subject to certain legal provisions, such as Section 15 of the German Banking Act (*KWG*), Board resolutions are passed with the majority of votes cast.

The Supervisory Board appoints, supervises and advises the members of the Board of Managing Directors and is directly involved in decisions of fundamental importance to the company. The Chairman of the Supervisory Board coordinates the work of the Supervisory Board.

Two thirds of the members of the Supervisory Board are elected by the shareholders at the General Meeting. The two remaining members of the Supervisory Board are staff representatives who are elected by the bank's employees at a secret ballot. The Chairman of the Supervisory Board is appointed by the Commerzbank Aktiengesellschaft, being the majority shareholder. His deputy is appointed by the minority shareholder. Subject to certain legal provisions, Supervisory Board resolutions are passed with the majority of votes cast. In the case of a tie – also at elections – the Chairman of the meeting has the casting vote. Both, the representatives elected by the shareholders and the staff representatives are obliged to act in the company's best interests.

The company's accounting follows the 'true and fair view' principle and presents a view of the company's net assets, financial position and earnings situation that corresponds to the actual circumstances.

As a rule this Code will be reviewed and, if necessary, adjusted once a year in the light of national and international developments and changes within the company.

## **2 Shareholders and General Meeting**

### **2.1 Shareholders**

2.1.1 Shareholders exercise their rights at the General Meeting and vote there.

2.1.2 Each share carries one vote. There are no shares with multiple voting rights, preferential voting rights (golden shares) or maximum voting rights.

### **2.2 General Meeting**

2.2.1 The Board of Managing Directors submits the Annual Financial Statements to the General Meeting. The General Meeting decides on the appropriation of profit and the discharge of the acts of the Board of Managing Directors and of the Supervisory Board. It also elects the shareholders' representatives to the Supervisory Board and the auditors.

Furthermore, the General Meeting decides on the Articles of Association, the object of the company, amendments to the Articles of Association and essential corporate measures such as, in particular, inter-company agreements and transformations and the issuance of new shares, convertible bonds, bonds with warrants and profit-sharing certificates, or it authorizes the Board of Managing Directors to issue them with the approval of the Supervisory Board. In addition, the General Meeting decides on the authorization to purchase own shares.

2.2.2 When new shares are issued, shareholders shall have a subscription right reflecting their respective share of the equity capital, unless the General Meeting decides otherwise.

2.2.3 Each shareholder is entitled to participate in the General Meeting, to take the floor on matters on the agenda and to submit materially relevant questions and proposals.

2.2.4 The Chairman of the General Meeting shall ensure that the meeting runs smoothly.

### **2.3 Invitation to the General Meeting, Proxies**

2.3.1 The Board of Managing Directors shall convene the General Meeting at least once a year, giving details of the agenda. A quorum of shareholders is entitled to require that a General Meeting be convened and the agenda extended. The Board of Managing Directors shall not only make available the reports and documents that are required by law for the General Meeting, including the Annual Report, during the meeting itself, but also send them to the shareholders on request.

2.3.2 The bank facilitates the personal exercising of shareholders' rights and also assists the shareholders in the use of proxies. The Board of Managing Directors arranges for the

appointment of a representative to exercise shareholders' voting rights in accordance with their instructions.

### **3 Cooperation between the Board of Managing Directors and the Supervisory Board**

- 3.1 The Board of Managing Directors and the Supervisory Board shall cooperate closely to the benefit of the company.
- 3.2 The Board of Managing Directors coordinates the bank's business strategy with the Supervisory Board and discusses the current state of strategy implementation with the Supervisory Board at regular intervals.
- 3.3 Pursuant to specific provisions set out in the Articles of Association, by the Supervisory Board and in the German Banking Act (*KWG*), transactions of fundamental importance require the approval of the Supervisory Board. These transactions include decisions or measures which fundamentally alter the company's asset, financial or earnings situation, as well as fundamental credit decisions.
- 3.4 Providing the Supervisory Board with sufficient information is the joint responsibility of the Board of Managing Directors and the Supervisory Board.

The Board of Managing Directors shall inform the Supervisory Board regularly, without delay and comprehensively, about all issues that are relevant to Essen Hyp with regard to planning, business development, the risk situation and risk management. The Board of Managing Directors reports on deviations of the actual plans from previously formulated targets, indicating the reasons for these deviations.

The Supervisory Board specifies the information and reporting duties of the Board of Managing Directors. The reports of the Board of Managing Directors to the Supervisory Board are, as a rule, to be submitted in writing. Documents required for decision-making such as, in particular, the Annual Financial Statements and the Auditors' Report are, to the extent possible, forwarded to the members of the Supervisory Board in due time prior to the meeting.

- 3.5 Good corporate governance requires an open discussion between the Board of Managing Directors and the Supervisory Board, as well as amongst the members within the Board of Managing Directors and the Supervisory Board. The strict observance of confidentiality is of paramount importance for this.

All Board members shall ensure that the staff members they employ also comply with the obligation to maintain confidentiality.

- 3.6 As necessary, the Supervisory Board meets without the Board of Managing Directors.
- 3.7 In the event of a takeover offer the Board of Managing Directors and the Supervisory Board of the bank, as the target company, must submit a statement of their reasoned

position so that the shareholders can make an informed decision on the bid.

After the announcement of a takeover bid, the Board of Managing Directors may not take any actions outside the ordinary course of business that could prevent the success of the bid unless the Board of Managing Directors has been authorized by the General Meeting, or the Supervisory Board has given its approval. In making their decisions, the Board of Managing Directors and the Supervisory Board are obliged to act in the best interests of the shareholders and of the company.

- 3.8 The members of the Board of Managing Directors and the Supervisory Board shall comply with the rules of proper corporate management. If they violate the due care and diligence of a prudent and conscientious member of the Board of Managing Directors or the Supervisory Board, they are liable to the bank for damages.

The bank has taken out a directors' and officers' liability insurance (D&O insurance) policy for the Board of Managing Directors and the Supervisory Board, placed through the majority shareholder, the Commerzbank Aktiengesellschaft. A suitable deductible has been agreed for both the members of the Board of Managing Directors and the members of the Supervisory Board.

- 3.9 Pursuant to Section 15 of the German Banking Act (*KWG*) the extension of loans from the company to members of the Board of Managing Directors or the Supervisory Board or their relatives (spouses and children who are still minors) requires the unanimous approval of the Board of Managing Directors, as well as the prior consent of the Supervisory Board.

- 3.10 The Board of Managing Directors and the Supervisory Board shall report on possible deviations from the recommendations of the German Corporate Governance Code once every year. The company shall keep previous Declarations of Conformity with the Code available for viewing on its website for five years.

## **4 The Board of Managing Directors**

### **4.1 Tasks and Responsibilities**

- 4.1.1 The Board of Managing Directors is responsible for independently managing the company. In doing so, it is obliged to act in the company's best interests and undertakes to increase the sustainable value of the company.
- 4.1.2 The Board of Managing Directors develops the company's strategy, coordinates it with the Supervisory Board and ensures its implementation.
- 4.1.3 The Board of Managing Directors shall ensure that all provisions set out by law are complied with.
- 4.1.4 The Board of Managing Directors ensures appropriate risk management and risk

controlling within the company.

## **4.2 Composition and Compensation**

4.2.1 The Board of Managing Directors is composed of several persons and has a Chairman. Rules of procedure, which require the approval of the Supervisory Board, govern cooperation within the Board of Managing Directors. The Board of Managing Directors cooperates on a basis of trust with the bank's other bodies and the employee representatives to the benefit of the company.

4.2.2 The compensation of the members of the Board of Managing Directors is fixed by the Presiding Committee of the Supervisory Board at an appropriate amount, based on a performance assessment. Criteria for determining the appropriateness of the compensation are, in particular, the tasks of the respective Board member, his personal performance, the performance of the Board of Managing Directors as a whole, the economic situation, and the performance and future prospects of the bank, taking into account its competitors.

4.2.3 The overall compensation of the members of the Board of Managing Directors comprises a fixed salary and variable elements. The variable part of the compensation includes both result- and performance-linked components and is based on the achievement of the bank's business success, the results of the business segments for which the respective Board member is responsible, and his individual performance. All compensation components must be appropriate, both individually and in total.

4.2.4 The compensation of the members of the Board of Managing Directors is reported in the Notes to the Annual Accounts, broken down into fixed salary and variable components, each in a single sum.

## **4.3 Conflicts of Interest**

4.3.1 During their employment with Essen Hyp, the members of the Board of Managing Directors are subject to a comprehensive non-competition obligation.

4.3.2 In connection with their work, the members of the Board of Managing Directors and employees may neither demand nor accept from third parties payments or other benefits for themselves or for any other person, nor grant any unlawful advantage to third parties.

4.3.3 The members of the Board of Managing Directors are bound by the company's best interests. No member of the Board of Managing Directors will pursue personal interests in his decisions, or use business opportunities intended for Essen Hyp for himself.

4.3.4 Each member of the Board of Managing Directors must disclose conflicts of interest to

the Supervisory Board without delay and inform the other members of the Board of Managing Directors. All transactions between the company and the members of the Board of Managing Directors, persons they are closely related to or companies they have a personal association with must meet the standards that are customary in the sector. Important transactions require the approval of the Supervisory Board or the Committee responsible according to the rules of procedure of the Supervisory Board.

- 4.3.5 Sideline activities of the members of the Board of Managing Directors, especially Supervisory Board mandates outside the company, are subject to the approval of the Supervisory Board.

## **5 The Supervisory Board**

### **5.1 Tasks and Responsibilities**

- 5.1.1 The task of the Supervisory Board is to provide continuous advice to, and to monitor the work of the Board of Managing Directors in the management of the company. The Supervisory Board must be involved in all decisions that are of fundamental importance to the bank.

- 5.1.2 The Supervisory Board appoints and dismisses the members of the Board of Managing Directors. Together with the Board of Managing Directors, the Presiding Committee of the Supervisory Board ensures that there is long-term successor planning. The Supervisory Board has delegated the preparations for the appointment of members to the Board of Managing Directors to the Presiding Committee, which also lays down the conditions of the employment contracts, including compensation.

A re-appointment prior to one year before the end of the appointment period with a simultaneous termination of the current appointment may only take place under special circumstances. For members of the Board of Managing Directors there is a fixed age limit of 65 years.

- 5.1.3 The Supervisory Board has issued rules of procedure.

## **5.2 Tasks and Powers of the Chairman of the Supervisory Board**

The Chairman of the Supervisory Board coordinates the work within the Supervisory Board, chairs its meetings and attends to the affairs of the Supervisory Board externally.

The Chairman of the Supervisory Board also chairs the Presiding Committee which, inter alia, deals with the employment contracts of the members of the Board of Managing Directors.

The Chairman of the Supervisory Board maintains close contact with the Board of Managing Directors, and with the Chairman in particular, in order to discuss the strategy, business development and risk management of the bank. The Chairman of the Supervisory Board shall, without delay, be informed by the Chairman of the Board of Managing Directors of any events material for the assessment of the bank's situation and development, or for the management of the bank. The Chairman of the Supervisory Board shall then inform the Supervisory Board and, as necessary, convene an extraordinary meeting of the Supervisory Board.

## **5.3 Formation of Committees**

- 5.3.1 Depending on the specific features of the company and the number of Supervisory Board members, the Supervisory Board has formed a Presiding Committee and a Risk Committee from within itself. These two committees serve to increase the efficiency of the Supervisory Board's work and deal with more complex issues. The Chairman of each committee regularly reports to the Supervisory Board on the work of the respective committee.
- 5.3.2 The rules of procedure of the Supervisory Board provide for committees to make decisions in place of the Supervisory Board. The Presiding Committee prepares Supervisory Board meetings, at which personnel decisions are to be made.
- 5.3.3 The Supervisory Board can delegate other subjects to be handled by one or several committees. These subjects include the strategy of the bank, the compensation of the members of the Board of Managing Directors, investments and financing.

## **5.4 Composition and Compensation**

- 5.4.1 When submitting proposals for the election of Supervisory Board members, care shall be taken that the Supervisory Board, is, at all times, composed of members who, as a whole, have the required knowledge, ability and expertise to properly complete their tasks and are sufficiently independent. Furthermore, the international activities of the company and potential conflicts of interest are taken into account.



- 5.4.2 To ensure the Supervisory Board's independent advice and supervision of the Board of Managing Directors, the Supervisory Board shall include what it considers an adequate number of members. A Supervisory Board member is considered independent if he or she has no business or personal relations with the company or its Board of Managing Directors which cause a conflict of interest. Not more than two former members of the Board of Managing Directors shall be a member of the Supervisory Board. Moreover, Supervisory Board members shall not hold directorships or similar positions with main competitors of the company or provide any advisory services to them.
- 5.4.3 It shall not be the rule for the former Chairman of the Board of Managing Directors or a member of the Board of Managing Directors to become Supervisory Board Chairman or the Chairman of a Supervisory Board committee. If this is intended, special reasons shall be presented to the annual general meeting.
- 5.4.4 The members of the Supervisory Board shall ensure that they have sufficient time to perform their mandate. Members of the Board of Managing Directors of a listed bank shall not accept more than five Supervisory Board mandates in non-group listed companies.
- 5.4.5 The election or re-election of all Supervisory Board members takes place at the same time, and as a rule for the longest admissible period of office. Elections to replace members are for the remaining period of office of a member of the Supervisory Board who resigns prematurely, or, if the resigning member's period of office was shorter than the regular period of office in accordance with sentence 1 of this Section, up to the end of the period of office of the other members of the Supervisory Board who have been appointed for the longest admissible period of office.
- 5.4.6 The compensation of the members of the Supervisory Board is specified in the Articles of Association. It is based upon the responsibilities and tasks of the members of the Supervisory Board, as well as the economic situation and performance of the bank. Also taken into account are the holding of a chair or deputy chair position in the Supervisory Board, as well as the Chairmanship and membership in any Supervisory Board committee.

The members of the Supervisory Board receive fixed as well as performance-related compensation. The latter is based upon the dividend payments to the bank's shareholders.

The compensation of the members of the Supervisory Board is reported in the Notes to the Annual Accounts, broken down according to components, each in a single sum. Should, by way of exception, compensation be paid to the members of the Supervisory Board or advantages extended for services provided individually, in particular, advisory or agency services, these payments are shown separately in the Notes to the Annual Accounts.

- 5.4.7 If a member of the Supervisory Board has taken part in less than half of the meetings of the Supervisory Board in a financial year, this will be noted in the Report of the

Supervisory Board.

## **5.5 Conflicts of Interest**

- 5.5.1 All members of the Supervisory Board are bound to act in the company's best interests. No member of the Supervisory Board will pursue personal interests in his decisions, or use business opportunities intended for the company for himself.
- 5.5.2 Each member of the Supervisory Board shall inform the Chairman of the Supervisory Board of any conflicts of interest, especially those which may result from a consultant or directorship position with clients, suppliers, lenders or other business partners. If necessary, the Chairman of the Supervisory Board will then have the Presiding Committee discuss the issue. The Chairman of the Supervisory Board shall disclose his own conflicts of interest to the Supervisory Board or the Presiding Committee.
- 5.5.3 Material and not merely temporary conflicts of interest with respect to the person of a Supervisory Board member shall result in the termination of his mandate.
- 5.5.4 Advisory and other service agreements between a member of the Supervisory Board and the bank require the Supervisory Board's approval.

## **5.6 Examination of Efficiency**

The Supervisory Board shall examine the efficiency of its activities on a regular basis.

## **6 Transparency**

- 6.1 The Board of Managing Directors must disclose insider information directly relating to the company without delay unless it is exempted from the disclosure requirement in an individual case.
- 6.2 As soon as the bank becomes aware of the fact that an individual acquires, sells or by any other means exceeds or falls short of 5, 10, 25, 50 or 75% of the voting rights in the bank, the Board of Managing Directors shall disclose this fact without delay.
- 6.3 The bank's treatment of all shareholders in respect of information shall be the same. The bank shall also disclose all new facts made known to financial analysts and similar addressees to its shareholders without delay.
- 6.4 The bank shall use suitable communication media, such as the internet, to inform shareholders and investors in a prompt and uniform manner.
- 6.5 Any information which the bank discloses abroad in compliance with applicable capital market law provisions will also be disclosed domestically without delay.
- 6.6 As part of the bank's regular information policy, the dates of its most important regular publications (including the Annual Report, Interim Reports, General Meeting) are published sufficiently in advance in a 'financial calendar'.

6.7 Any information on the bank disclosed by the bank itself shall also be published on the bank's website. The website shall have a clear structure.

## **7.1 Reporting**

7.1.1 Third parties receive their information through the Annual Financial Statements. During the financial year, they receive additional information in the form of Interim Reports that are published at the end of the second and third quarters. The Annual Financial Statements and Interim Reports are prepared according to national legislation, i.e. the provisions set out in the German Commercial Code (*HGB*), which also form the basis for taxation.

7.1.2 The Annual Financial Statements are prepared by the Board of Managing Directors and examined by the auditors and the Supervisory Board. In addition, the Financial Reporting Enforcement Panel (*Prüfstelle für Rechnungslegung*) and the Federal Financial Supervisory Authority (*BaFin*) are authorized to check that the Annual Financial Statements comply with the applicable accounting regulations (enforcement). The Annual Financial Statements shall be publicly accessible within 90 days of the end of the financial year; Interim Reports shall be publicly accessible within 45 days of the end of the reporting period.

7.1.3 The bank publishes a list of third party companies in which it has a participating interest that is not of minor importance for the bank. The trading portfolios of the bank, on which voting rights are not exercised, are disregarded in this context. In accordance with the German Commercial Code (*HGB*) the following information is provided in the bank's Annual Accounts: name and registered office of the bank, the amount of the interest, the amount of equity and the operating result of the past financial year.

7.1.4 Notes on the relationships with shareholders who are considered 'related parties' pursuant to the applicable accounting regulations, shall be provided in the Annual Financial Statements.

## **7.2 Audit of the Annual Financial Statements**

7.2.1 Prior to submitting a proposal for election, the Supervisory Board will obtain a statement from the proposed auditor stating whether, and where applicable, which business, financial, personal and other relationships exist between the auditor and its executive bodies and head auditors on the one hand, and the bank and its Board members on the other hand, that could call its independence into question. This statement shall include the extent to which other services were performed for the bank in the past year, especially in the field of consultancy, or which are contracted for the following year.

The Supervisory Board agrees with the auditor that the Chairman of the Supervisory Board will be informed immediately of any grounds for disqualification or partiality occurring during the audit, unless such grounds are removed immediately.

7.2.2 The Supervisory Board shall commission the auditor to carry out the audit and conclude an agreement on the latter's fee.

- 7.2.3 The Supervisory Board shall arrange for the auditor to report on all facts and events of importance for the tasks of the Supervisory Board which arise during the performance of the audit.

The Supervisory Board shall arrange for the auditor to inform it and/or note in the Auditors' Report if, during the performance of the audit, the auditor comes across facts which show a misstatement by the Board of Managing Directors and Supervisory Board on the Corporate Governance Code.

- 7.2.4 The auditor takes part in the Supervisory Board's deliberations on the Annual Financial Statements and reports on the relevant results of the audit. He is available to answer the questions the members of the Supervisory Board may have.



Home	<b>Company</b>		
Investor Relations	Organization Chart		
Credit Research			
Bonds & Notes			
Financial Reports			
International Real Estate Finance			
<b>Company</b>			
Corporate Governance Code			
» Organization Chart			
10 Successful Years in Retrospect			
Committees			
Branches & Offices			
External Links			
Imprint			
Info Pool			
Contact			

**Chairman of the Board of Managing Directors**  
**Hubert Schulte-Kemper**

**Member of the Board of Managing Directors**  
**Michael Fröhner**

**Member of the Board of Managing Directors**  
**Burkhard Dallosch**

**Corporate Division I**  
**Corporate Management Center**

**Corporate Division III**  
**Real Estate Finance**

**Corporate Division V**  
**Finance**

**Head: Dr. G. Stricker**  
 Deputy Heads:  
 N. Wittkopf, Dr. S. Tilch

**Head: N.N.**  
 Deputy Heads:  
 W. Böving, T. Link

**Head: N. Boddenberg**  
 Deputy Head: J. Wihler

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- Investor Relations
- Corporate Communications
- Public Relations
- Strategy
- Personnel
- Group Reporting

- National Real Estate Finance Marketing
- International Real Estate Finance Marketing
- Representative Offices
- Branches

- Accounting and Tax
- Transaction Banking
- Risk Controlling

**Corporate Division II**  
**Capital Markets**

**Corporate Division IV**  
**Services**

**Corporate Division VI**  
**Transaction Management**

**Head: J. Remmers**  
 Deputy Heads:  
 G. Pless, M. Bartling

**Head: H. Möller**

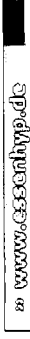
**Head: C. Angott**  
 Deputy Head: I. Plange

- Treasury
- Bank Management
- Research

- EDP
- IT
- Organization

- Transaction Management (national/ international)
- Credit Research
- Mortgage Lending Risk Management
- Loan Foreclosure

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



Home										
Investor Relations										
Credit Research										
Bonds & Notes										
Financial Reports										
International Real Estate										
Finance										
<b>Company</b>										
Corporate Governance Code										
Organization Chart										
» 10 Successful Years in Retrospect										
Committees										
Branches & Offices										
External Links										
Imprint										
Info Pool										
Contact										

**Company**

10 Successful Years in Retrospect

**Figures in Euro** 1987 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005  
 m,  
 year-end  
 balance \*)

**Claims outstanding:**

Mortgage loans 108 1,386 1,565 1,715 1,827 1,841 2,271 3,003 4,290 5,822 7,258 6,926  
 Public-sector loans 603 13,505 21,675 29,389 35,873 39,810 36,097 36,841 35,870 34,764 33,102 35,824  
 Bonds and notes 31 2,142 1,022 2,689 5,918 10,701 16,493 24,349 24,286 25,179 30,588 39,855  
 \*\*) Other claims 0 174 461 672 888 1,591 2,415 2,703 4,035 5,647 5,047 7,352

**Bonds and notes issued:**

Mortgage Pfandbriefe 39 977 1,176 1,219 1,087 1,078 1,272 1,305 1,884 2,703 4,173 4,250  
 Public-sector Pfandbriefe 819 14,160 21,438 30,077 38,684 48,379 47,015 54,519 50,738 51,477 52,571 60,972  
 Other bonds and notes / other liabilities 0 2,031 2,192 3,418 4,872 5,281 9,170 12,182 16,855 18,452 20,855 25,770

**New lending commitments:**

Mortgage loans 135 329 427 266 415 574 1,216 1,366 1,627 2,517 1,956 1,770  
 Public-sector loans 875 8,719 10,124 14,238 14,856 16,706 13,714 5,297 4,235 7,148 4,538 10,898  
 Bonds and notes\*\*) 31 1,547 1,306 2,907 4,518 6,771 12,494 16,632 12,420 8,016 10,541 16,156



<b>Capital and reserves:</b>												
Subscribed capital and reserves***)	41	260	265	311	377	454	426	554	554	584	654	699
Profit-sharing capital	0	54	54	129	187	243	255	279	284	324	319	293
Subordinated liabilities	0	130	130	155	189	244	244	298	297	348	358	290
Balance-sheet total:	1,103	17,734	25,393	35,471	45,596	55,905	58,771	69,553	70,979	74,299	79,461	92,781
Net interest and commission income:	5.0	74.3	98.9	125.8	149.9	168.6	161.2	170.9	187.5	213.5	205.9	249.3
<b>General operating expenses:</b>												
Personnel expenses	0.8	6.2	6.9	8.4	8.0	9.3	9.8	10.6	10.8	12.1	13.7	14.8
Other administrative expenses	0.7	3.7	4.6	5.9	7.1	8.2	8.9	9.5	9.4	11.2	14.4	16.5
Depreciation on and value adjustments to intangible and fixed assets	0.1	3.3	2.2	1.6	1.5	3.2	3.5	3.4	3.0	2.2	13.0	2.7
Operating result:	5.1	42.0	55.5	78.4	105.7	120.2	98.5	108.1	112.3	118.6	128.6	141.9
Net income for the year:	3.1	20.5	26.9	38.7	53.0	64.8	66.7	72.3	76.2	81.2	91.0	103.0

Notes:\*) up to 1991 acc. to old accounting regulations

\*\*) Since April 1, 1998 securities of public and public-sector issuers can be taken into ordinary cover. Figures without bonds issued by Hypothekenbank in Essen.

\*\*\*) after deduction of unpaid capital subscriptions in 1993

[Back](#) | [Glossary](#) | [Print](#) | [Sitemap](#) | [Imprint](#) | [Legal Disclaimer](#)



[Home](#)

[Investor Relations](#)

[Credit Research](#)

[Bonds & Notes](#)

[Financial Reports](#)

[International Real Estate](#)

[Finance](#)

**Company**

[Corporate Governance Code](#)

[Organization Chart](#)

[10 Successful Years in](#)

[Retrospect](#)

[» Committees](#)

[Branches & Offices](#)

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Search:

**Company**

[Committees](#)

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Hubert Schulte-Kemper, Marl, Chairman  
 Michael Fröhner, Dortmund  
 Burkhard Dallosch, Prague

**Executive Vice Presidents**

Hans-Jürgen Kröncke, Haltern  
 Norbert Boddenberg, Essen

**Trustees**

Dieter Eberle, Lawyer, Essen  
 Dr. rer. pol. Thomas Geer, Deputy, Essen  
 Rolf Dahlmann, Deputy, Essen

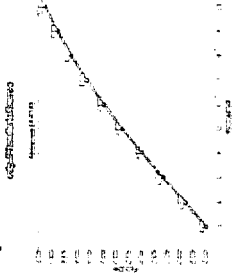
**Supervisory Board**

Dr. Eric Strutz  
 Dipl. oec. Berta Schuppli  
 Deputy Chairman, Wiesbaden  
 Managing Directors, Commerzbank  
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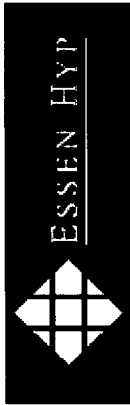
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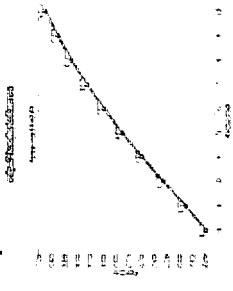
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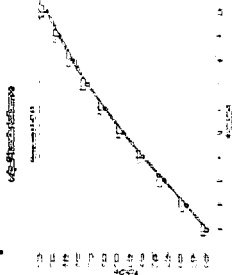
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Last update

May 2006

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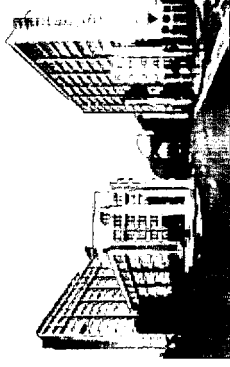
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The server for these sites is located in Essen/Germany.

**Hypothenkbank in Essen Aktiengesellschaft**

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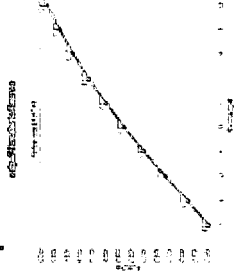
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loans and the administration of the securities that relate to these loans.

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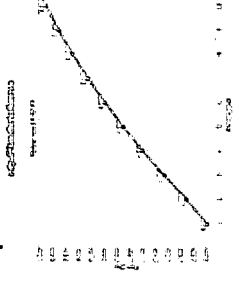
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Last update

May 2006

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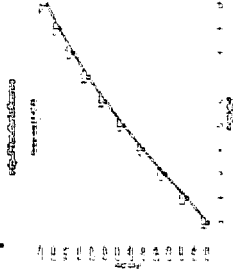
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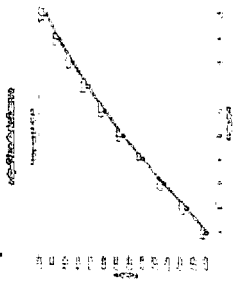
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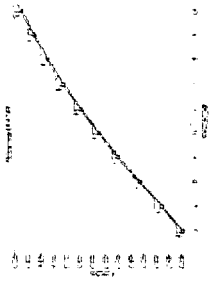
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Over the years, the International Capital Market Conference of Hypothenkenbank in Essen AG has become an internationally established forum for the German *Pfandbrief*. "It is a pleasure for us to continue our tradition of an open dialogue this year," emphasized Mr. Hubert Schulte-Kemper, Chairman of the Board of Managing Directors. The guest speech during the opening event was held by Gyula Horn, the former Prime Minister of the Republic of Hungary.

One key issue looked at during the conference was the new German *Pfandbrief* Act, which will come into effect in a few days. Since its foundation in 1987, Hypothenkenbank in Essen AG has made a major contribution in establishing Jumbo and Global *Pfandbriefe* as an attractive investment - and in increasing their quality standards. Our success in this business segment made us one of the biggest private issuers worldwide. Demand from international investors for covered bonds has kept increasing. This is why several countries now launch covered bonds that are modeled on the German *Pfandbrief*. Consequently, our discussions focused on developing joint strategies to preserve and strengthen the *Pfandbrief*'s position as an attractive investment, combining attractive yields and low risk. Other issues discussed during the conference include issuance conditions for covered bonds, true sales, structured *Pfandbriefe*, trends in public-private partnerships and the future competitiveness of Germany as an economic location. Capital market executives, analysts, investment specialists, experts and investors from all over the world took the opportunity to share their views on the international capital markets and global economic developments in several lectures and discussion panels. The opinion of the participants was unanimous: Essen Hyp's capital market conference is an event not to be missed by capital market players, and even the longest journey to Essen is worthwhile.

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May 2006

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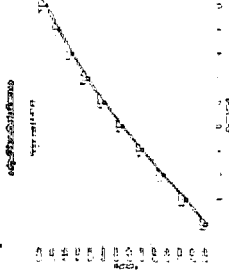
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Privacy statement

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**Mortgage Pfandbrief rating upgraded**

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- If you send us a message or give us instructions online (e.g. you order a copy of our Annual Report), we will use the data submitted by you only for the purpose of processing your request.
- If you register for a certain service (e.g. an e-mail newsletter), we will use the personal data received from you only to the extent that this is required for providing such service.
- We keep anonymous records of the hits our web sites receive. These records are evaluated for statistical purposes, in order to analyze and continually improve the navigation structure of our web sites.

Depending on the access protocol the following information will be included in the log file:

- IP address of the remote computer
- date and time of the request
- information submitted by the remote computer (e.g. file name)
- access status of the web server (file transferred, file not found, command not processed etc.)
- name of the requested file
- URL from which the file was requested and/or the requested service was accessed
- information about the web browser used

#### **Who will process and have access to the personal data and information received from you?**

Your enquiries and messages will be processed by employees of Hypothekenbank in Essen AG. The technical implementation of our web

term A with stable outlook from A- and short-term F1 from F2.

» **more (PDF)**

#### **Public-sector Pfandbrief rating upgraded**

With effect from February 17, 2005 Moody's upgraded the rating of Essen Hyp's public-sector Pfandbriefe to Aaa. As a result Essen Hyp's public-sector Pfandbriefe are now rated triple A by all major rating agencies.

» **more (PDF)**

#### **Economic and Interest Rate Outlook G3**

» **more**

#### **Current Financial and Economic Topics**

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Germany participate in these meetings and discuss the future interest rate and economic development.

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**Infopool**

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**Contact:**

Dr. Kerstin Kipper  
 Tel.: +49/201/8135-626  
 Fax: +49/201/8135-135  
 E-Mail: [kerstin.kipper@essenhyp.com](mailto:kerstin.kipper@essenhyp.com)



▷ **S&P Press Release as of May 16, 2006 (PDF)**

▷ **Press Release of Hypothekbank in Essen AG on the Annual Accounts 2005**

▷ **Press Release of Hypothekbank in Essen AG as of March 1, 2006. "New Head of Capital Markets at Hypothekbank in Essen AG"**

▷ **Press Release of Hypothekbank in Essen AG as of December 13, 2005. "Moody's upgraded the rating of Essen Hyp's mortgage Pfandbriefe from Aa2 to Aa1"**

▷ **Press Release "Essen Hyp captures the U.S. market with its new Pfandbrief" as of December 1, 2005**

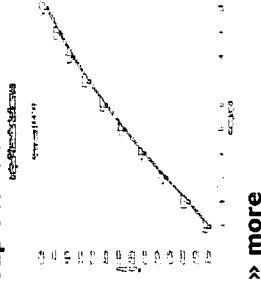
▷ **Press Release "FitchRatings upgrades Essen Hyp rating from A- to A" as of November 3, 2005**

▷ **Press Release "Interest Rate Experts Meet at Essen Hyp" as of November 2, 2005**

▷ **Press Release "Essen Hyp's business and earnings performance once again satisfactory" concerning the Interim Report as of September 30, 2005**

▷ **Press Release "New Pfandbrief Act spurs Essen Hyp's capital**

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 » more

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- market activities" (as of August 19, 2005)
- ▷ [Press Release concerning the Business Results of Hypothekbank in Essen AG \(as of June 30, 2005\)](#)
  - ▷ [Press Release "More than 600 guests from all around the world at Essen Hyp's 4th International Capital Market Conference" \(as of June 23, 2005 - PDF\)](#)
  - ▷ [Press Release "Dow Jones to launch index tracking the euro" \(as of June 17, 2005 - PDF\)](#)
  - ▷ [Press Release "America's Twin Deficits: Manageable Problems or Ticking Time Bombs?" \(as of June 14, 2005 - PDF\)](#)
  - ▷ [Press Release "Essen Hyp will have a closer look at public private partnership projects" \(as of June 10, 2005 - PDF\)](#)
  - ▷ [Press Release "World Economic Forum at Essen Hyp's Capital Market Conference" \(as of June 9, 2005 - PDF\)](#)
  - ▷ [Press Release "Essen Hyp intensifies its business relations to investors from the Middle East" \(as of June 8, 2005 - PDF\)](#)
  - ▷ [Press Release "Lending business" \(as of June 01, 2005 - PDF\)](#)
  - ▷ [Press Release "Interest Rate Forecast Meeting of Essen Hyp with Prof. Peter Bofinger" \(as of March 22, 2005 - PDF\)](#)
  - ▷ [Press Release "Business results 2004" \(as of March 18, 2005 - PDF\)](#)
  - ▷ [Press Release "Essen Hyp and Dr. Helmut Kohl in Moscow" \(as of March 7, 2005 - PDF\)](#)
  - ▷ [Public-sector Pfandbrief rating upgraded \(as of February 17, 2005 - PDF\)](#)
  - ▷ [Press Release "Essen Hyp and Dr. Helmut Kohl: Taking the Pfandbrief around the world" \(as of February 16, 2005 - PDF\)](#)
  - ▷ [Press Release "Interest rates at an all-time low" \(as of February 9, 2005 - PDF\)](#)

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 » [more \(PDF\)](#)

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- ▷ [Press Release "Hypothekebank in Essen AG continues to grow" \(as of January 27, 2005 - PDF\)](#)
- ▷ [Press Release "Public-Sector Global Pfandbrief of Essen Hyp successfully placed" \(as of November 11, 2004 - PDF\)](#)
- ▷ [Press Release of Hypothekebank in Essen AG concerning the Interim Report \(as of September 30, 2004 - PDF\)](#)
- ▷ [Download picture \(jpg 1.8 Mbyte\) of Hubert Schulte-Kemper, Chairman of the Board of Managing Directors](#)

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**Contact**

**Hypothekbank in Essen Aktiengesellschaft**

Gildehofstraße 1  
 45127 Essen/ Germany  
 Tel.: +49 201 8135-0  
 Fax.: +49 201 8135-200  
 E-mail: [info@essenhyp.com](mailto:info@essenhyp.com)

**Public Relations**

Tel.: +49 201 8135-495  
 Fax.: +49 201 8135-469

**Secretariat to the Board of Managing Directors**

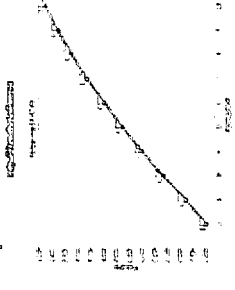
Tel.: +49 201 8135-391  
 Fax.: +49 201 8135-200

Whether criticism, suggestions, wishes or questions - there are lots of reasons to send us an e-mail. Above all we welcome each response!

▷ **Contact**

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**Contact**

We welcome your comments ...

\* mandatory fields

Title\*:

Surname\*:

First Name\*:

Street:

Postal code / Town:

Occupation:

Telephone:

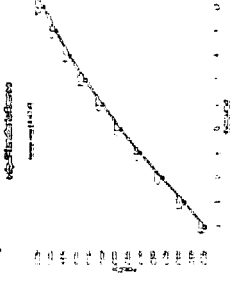
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The Final Terms will be displayed on the website of Essen Hyp ([www.essenhyp.com](http://www.essenhyp.com)) and in case of Notes listed on the Luxembourg Stock Exchange on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

09 June 2006  
09. Juni 2006

Final Terms  
Endgültige Bedingungen

EUR 50,000,000 Single callable Step-up Notes of 2006  
due 13 June 2008  
issued pursuant to the

*EUR 50.000.000 Einfach kündbare Schuldverschreibungen mit Stufenzins von 2006  
fällig am 13. Juni 2008  
begeben aufgrund des*

**Euro 30,000,000,000  
Essen Hyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
*der*

**Hypothekebank in Essen Aktiengesellschaft**

Issue Price: 100.00 per cent.  
*Ausgabepreis: 100,00 %*

Issue Date: 13 June 2006  
*Tag der Begebung: 13. Juni 2006*

Series No: HBE0HR  
*Serien Nr.: HBE0HR*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the Euro 30,000,000,000 Debt Issuance Programme of Hypothekebank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekebank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "**Prospectus**") and these Final Terms. The Prospectus and any supplement thereto is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Hypothekebank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekebank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothekebank in Essen Aktiengesellschaft (das "Programm"). Vollständige Informationen über die Hypotheke Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der "Prospekt") zusammengenommen werden. Der Prospekt sowie jeder Nachtrag können in elektronischer Form auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekebank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind*

erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.

**Part I. TERMS AND CONDITIONS**  
**Teil I. EMISSIONSBEDINGUNGEN**

The Conditions applicable to the Notes (the "Conditions") and the German or English language translation thereof, if any, are attached to these Final Terms. They replace in full the Terms and Conditions of the Notes as set out in the Prospectus and take precedence over any conflicting provisions in these Final Terms.

*Die für die Schuldverschreibungen geltenden Bedingungen (die "Bedingungen") sowie eine etwaige deutsch- oder englischsprachige Übersetzung sind Endgültigen Bedingungen beigefügt. Die Bedingungen ersetzen in Gänze die im Prospekt abgedruckten Emissionsbedingungen der Schuldverschreibungen und gehen etwaigen abweichenden Bestimmungen dieser Endgültigen Bedingungen vor.*

**PART I. A. Notes other than Participation Certificates**  
**TEIL I. A. Schuldverschreibungen, die keine Genussscheine sind**

**Issuer**  
**Emittentin**

**Hypothesenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency  
*Festgelegte Währung*

Euro („EUR“)  
*Euro („EUR“)*

Aggregate Principal Amount  
*Gesamtnennbetrag*

EUR 50,000,000  
*EUR 50.000.000*

Specified Denomination(s)  
*Festgelegte Stückelung/Stückelungen*

EUR 1,000  
*EUR 1.000*

Number of Notes to be issued in each Specified Denomination  
*Anzahl der in jeder festgelegten Stückelung auszugebenden*  
*Schuldverschreibungen*

50,000  
*50.000*

Minimum Transfer Amount (specify)  
*Mindestnennbetrag für Übertragungen (angeben)*

EUR 1,000  
*EUR 1.000*

**Form**  
**Form**

**Notes**  
**Schuldverschreibungen**

**Pfandbriefe**

Mortgage Pfandbriefe  
*Hypothesenpfandbriefe*

Public-Sector Pfandbriefe  
*Öffentliche Pfandbriefe*

**New Global Note**

No

New Global Note

Nein

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

Definitive Notes  
*Einzelurkunden*

**Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
**Einzelurkunden**

No  
Nein

Coupons  
*Zinsscheine*

Talons  
*Talons*

Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
**Definitionen**

Clearing System  
*Clearing System*

Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main

Euroclear Bank S. A./N. V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels

Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg

The Depository Trust Company  
55 Water Street

New York, NY 10041-0099  
USA

- Other (specify)  
*Sonstige (angeben)*

**STATUS (§ 2)**  
**STATUS (§ 2)**

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
**ZINSEN (§ 3)**

- Fixed Rate Notes**  
***Festverzinsliche Schuldverschreibungen***  
**Rate of Interest and Interest Payment Dates**  
***Zinssatz und Zinszahlungstage***

Interest Commencement Date  
*Verzinsungsbeginn*

13 June 2006  
*13. Juni 2006*

Rate of Interest

3.40 per cent. per annum  
from 13 June 2006  
to 12 June 2007  
(each inclusive);

3.85 per cent. per annum  
from 13 June 2007  
to 12 June 2008  
(each inclusive).

*Zinssatz*

*3,40% per annum  
vom 13. Juni 2006  
bis 12. Juni 2007  
(jeweils einschließlich);*

*3,85% per annum  
vom 13. Juni 2007  
bis 12. Juni 2008  
(jeweils einschließlich).*

Fixed Interest Payment Date(s)  
*Feste(r) Zinszahlungstag(e)*

13 June in each year  
*13. Juni in jedem Jahr*

First Interest Payment Date  
*Erster Zinszahlungstag*

13 June 2007  
*13. Juni 2007*

Initial Broken Amount(s) (per specified denomination)  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)  
(für jede festgelegte Stückelung)*

Fixed Interest Date preceding the Maturity Date  
*Festzinstermine, der dem Fälligkeitstag vorangeht*

13 June 2007  
*13. Juni 2007*

Final Broken Amount(s) (per specified denomination)  
*Abschließende(r) Bruchteilzinsbetrag(-beträge)  
(für jede festgelegte Stückelung)*



**Floating Rate Notes**  
**Variabel verzinsliche Schuldverschreibungen**

**Interest Payment Dates**  
**Zinszahlungstage**

Interest Commencement Date  
*Verzinsungsbeginn*

Specified Interest Payment Dates  
*Festgelegte Zinszahlungstage*

Specified Interest Period(s)  
*Festgelegte Zinsperiode(n)*

**Business Day Convention**  
**Geschäftstagskonvention**

Modified Following Business Day Convention  
*Modifizierte Folgender Geschäftstag-Konvention*

FRN Convention (specify period(s))  
*FRN Konvention (Zeitraum angeben)*

Following Business Day Convention  
*Folgender Geschäftstag-Konvention*

Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**  
**Relevante Finanzzentren**

**Rate of Interest**  
**Zinssatz**

Screen Rate Determination  
*Bildschirmfeststellung*

EURIBOR (Brussels time/TARGET Business Day/Interbank  
Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/  
Interbanken-Markt in der Euro-Zone)*

Screen page  
*Bildschirmseite*

LIBOR (London time/London Business Day London  
Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/  
Londoner Interbanken-Markt)*

Screen page  
*Bildschirmseite*

Other (specify)  
*Sonstige (angeben)*

Screen page  
*Bildschirmseite*

Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*

Reference Banks (if other than as specified in § 3(2)) (specify)

Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)

- ISDA Determination  
*ISDA-Feststellung*
- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

**Margin**  
**Marge**

- plus  
*plus*
- minus  
*minus*

**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz*
- Maximum Rate of Interest  
*Höchstzinssatz*
- Zero Coupon Notes  
*Nullkupon-Schuldverschreibungen*

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield  
*Emissionsrendite*

- Dual Currency Notes  
**Doppelwährungs-Schuldverschreibungen**

(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen, eine Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen sowie Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

- Instalment Notes

**Raten-Schuldverschreibungen**

(set forth details in full here)

*(Einzelheiten einfügen)*

**Index-linked Notes**

**Indexierte Schuldverschreibungen**

(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))

*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlage für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

**Credit-linked Notes**

**Credit-linked Notes**

(set forth details in full here (including basis for calculating interest and fall back provisions))

*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*

**other structured Notes**

**andere strukturierte Schuldverschreibungen**

(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))

*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction**

**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)
- Other  
*Anderer*

**PAYMENTS (§ 4)**

**ZAHLUNGEN (§ 4)**

**Payment Business Day**

**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

Clearing System and TARGET  
*Clearing System und TARGET*

**REDEMPTION (§ 5)**

**RÜCKZAHLUNG (§ 5)**

**Final Redemption**

**Rückzahlung bei Endfälligkeit**

**Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**  
**Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen**

Maturity Date 13 June 2008  
*Fälligkeitstag* 13. Juni 2008

Redemption Month  
*Rückzahlungsmonat*

Final Redemption Amount  
*Rückzahlungsbetrag*

Principal amount  
*Nennbetrag*

Final Redemption Amount (per specified denomination)  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*

**Instalment Notes**  
**Raten-Schuldverschreibungen**

Instalment Date(s)  
*Ratenzahlungstermin (e)*

Instalment Amount(s)  
*Rate(n)*

**Early Redemption**  
**Vorzeitige Rückzahlung**

**Optional Redemption for Taxation Reasons** Yes  
**Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen** Ja

**Early Redemption at the Option of the Issuer** Yes  
**Vorzeitige Rückzahlung nach Wahl der Emittentin** Ja

Minimum Redemption Amount  
*Mindestrückzahlungsbetrag*

Higher Redemption Amount  
*Höherer Rückzahlungsbetrag*

Call Redemption Date(s) 13 June 2007  
*Wahrückzahlungstag (Call)* 13. Juni 2007

Call Redemption Amount(s) Total Principal Amount  
*Wahrückzahlungsbetrag (Call)* Gesamtnennbetrag

Minimum Notice to Holders 3 Frankfurt Business Days  
*Mindestkündigungsfrist* 3 Frankfurter Bankarbeitstage

Maximum Notice to Holders  
*Höchstkündigungsfrist*

**Early Redemption at the Option of a Holder** No  
**Vorzeitige Rückzahlung nach Wahl des Gläubigers** Nein

Put Redemption Date(s)  
*Wahrückzahlungstag(e) (Put)*

Put Redemption Amount(s)  
*Wahrückzahlungsbetrag/-beträge (Put)*

Minimum Notice to Issuer  
*Mindestkündigungsfrist*

Maximum Notice to Issuer (never more than 60 days)

Höchstkündigungsfrist (nie mehr als 60 Tage)

**Early Redemption Amount**  
**Vorzeitiger Rückzahlungsbetrag**

Zero Coupon Notes:  
Nullkupon-Schuldverschreibungen:

Reference Price  
Referenzpreis

**Redemption of Notes other than Zero Coupon, Fixed Rate,  
Floating Rate and Instalment Notes**  
**Rückzahlung von Schuldverschreibungen, die weder  
Nullkupon-, festverzinsliche, variabel verzinsliche noch  
Raten-Schuldverschreibungen sind**

- Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s)  
or basis for calculating exchange rate(s) to determine  
principal/fall-back provisions))  
(Einzelheiten einfügen (einschließlich Wechselkurs(e)  
oder Grundlage für die Berechnung des/der Wechselkurs(e)  
zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))
- Index-linked Notes**  
**Indexierte Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)
- Credit-linked Notes**  
**Credit-linked Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)
- other structured Notes**  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)

**FISCAL AGENT[.,] [AND] PAYING AGENT[S]] [AND CALCULATION AGENT] (§ 6)**  
**EMISSIONSSTELLE[.,] [UND] ZAHLSTELLE[N]] [UND BERECHNUNGSSTELLE] (§ 6)**

Paying Agents  
Zahlstellen

Fiscal Agent  
Emissionsstelle

Hypothekenbank in Essen AG  
Gildehofstraße 1  
D-45127 Essen

Additional Paying Agent(s)/specified office(s)  
Zahlstelle(n)/bezeichnete Geschäftsstelle(n)

Hypothekenbank in Essen AG  
Gildehofstraße 1  
D-45127 Essen

Calculation Agent  
Berechnungsstelle

Yes  
Ja

No  
Nein

Required location (specify)

*Vorgeschriebenen Ort (angeben)*

**NOTICES (§ 12)**

**MITTEILUNGEN (§ 12)**

**Place and medium of publication**

***Ort und Medium der Bekanntmachung***

Publication in printed form

*Bekanntmachung in gedruckter Form*

London (Financial Times)  
*London (Financial Times)*

Luxembourg (d'Wort)  
*Luxemburg (d'Wort)*

Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*

Other (specify)  
*Sonstige (angeben)*

Publication on the website of the stock exchange

*Bekanntmachung auf der Website der Börse*

Stock Exchange

*Börse*

Internet Address

*Internetadresse*

**Governing law**

***Anwendbares Recht***

**German Law**

***Deutsches Recht***

**PART I. B. PARTICIPATION CERTIFICATES**  
**TEIL I. B. GENUSSSCHEINE**

**Not Applicable**  
**Nicht anwendbar**

**Issuer**  
**Emittentin**

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Issue, Principal Amount (§ 1)**  
**Begebung, Nennbetrag (§ 1)**

Aggregate Principal Amount  
*Gesamtnennbetrag*

Date of general meeting  
*Datum der Hauptversammlung*

Number of Participation Certificates  
*Anzahl der Stücke*

Principal amount  
*Nennbetrag*

**Distributions (§ 2)**  
**Ausschüttung (§ 2)**

- Fixed Rate Participation Certificates  
*festverzinsliche Genussscheine*

Rate of interest  
*Zinssatz*

Interest Commencement Date  
*Verzinsungsbeginn*

- Floating Rate Participation Certificates  
*variabel verzinsliche Genussscheine*

Interest Commencement Date  
*Verzinsungsbeginn*

Reference Dates  
*Referenztermine*

Margin  
*Marge*

Euribor Rate [three/six/nine/twelve month]  
*Euribor-Satz [drei/sechs/neun/zwölf Monate]*

Screen Page  
*Bildschirmseite*

Distribution Date(s)  
*Ausschüttungstag(e)*

First Distribution Date  
*Erster Ausschüttungstag*

**Term, Termination by the Issuer (§ 6)**  
***Laufzeit, Kündigung (§ 6)***

End of term  
*Laufzeitende*

Repayment Date  
*Rückzahlungstag*

**Interest Rate applicable to the Final Interest Period**  
***Zinssatz für die abschließende Zinsperiode***

- Distribution rate  
*Ausschüttungszinssatz*
- Other (specify)  
*Sonstige (angeben)*

**Termination**  
***Kündigung***

Call Date  
*Ankündigungstermin*

Date of Termination  
*Kündigungstermin*



**PART I. C.: GLOBAL PFANDBRIEFE**  
**TEIL I. C.: GLOBALPFANDBRIEFE**

**Not Applicable**  
**Nicht anwendbar**

**Issuer**  
**Emittentin**

**Hypothesenbank in Essen**  
**Aktiengesellschaft**

**General Provisions (§ 1)**  
**Allgemeine Bestimmungen (§ 1)**

- [Global] Mortgage Pfandbriefe  
[Global] Hypothekendarlehen
- [Global] Public-Sector Pfandbriefe  
[Global] Öffentliche Darlehen

Aggregate Principal Amount  
Gesamt nominaler Betrag

Number of Notes  
Anzahl der Stücke

Principal Amount  
Nominalbetrag

Number of Notes to be issued in the Principal Amount  
Anzahl der im Nominalbetragsauszugebenden  
Schuldverschreibungen

Custodian for The Depository Trust Company  
Verwahrer für The Depository Trust Company

- J. P. Morgan Trust Company, National Association
- Other (specify)  
Anderer (angeben)

**Currency**  
**Währung**

- EUR
- USD

**Interest (§ 2)**  
**Zinsen (§ 2)**

Rate of interest  
Zinssatz

Interest Commencement Date  
Verzinsungsbeginn

Fixed Interest Payment Date(s)  
Festzinstermine(n)

First Interest Payment Date  
Erster Festzinstern

Initial Broken Amount  
Anfänglicher Bruchteilzinsbetrag

Fixed Interest Date preceding the Maturity Date  
Festzinstern, der dem Fälligkeitstag vorangeht

Final Broken Amount  
Abschließender Bruchteilzinsbetrag

**Day Count Fraction**

***Zinstagequotient***

- Actual/Actual (Actual/365)
- 30/360

**Repayment (§ 3)**

***Rückzahlung (§ 3)***

Specified Maturity Date

*Festgelegter Endfälligkeitstag*

**Payments (§ 4)**

***Zahlungen (§ 4)***

Frankfurt Business Day

*Frankfurter Geschäftstag*

- TARGET

**Registrar and Paying Agents (§ 8)**

***Die Registrierungsstelle und die Zahlstellen (§ 8)***

Paying Agent

*Zahlstelle*

- BNP Paribas Securities Services Luxembourg Branch
- Hypothekenbank in Essen AG
- J. P. Morgan Trust Company, National Association
- Other (specify)  
*Andere (angeben)*

**Notices (§ 9)**

***Bekanntmachungen (§ 9)***

- d'Wort

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**Specific Risk Factors**  
**Spezielle Risikofaktoren**

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind**

- Save as discussed in the Prospectus under "Interest of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

*Mit Ausnahme der im Prospekt im Abschnitt "Interest of Natural and Legal Persons involved in the Issue/Offer" angesprochenen Interessen bestehen bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin keine Interessen, die für das Angebot bedeutsam sind.*

- Other interest (specify)  
*Andere Interessen (angeben)*

**Reasons for the offer**

**Gründe für das Angebot**

See "Use of Proceeds" in the Prospectus  
*Siehe „Use of Proceeds“ im Prospekt*

Estimated net proceeds  
*Geschätzter Nettobetrag der Erträge*

EUR 50,000,000  
*EUR 50.000.000*

Estimated total expenses of the issue  
*Geschätzte Gesamtkosten der Emission*

EUR 1,000  
*EUR 1.000*

**Eurosystem eligibility**  
**EZB-Fähigkeit**

Intended to be held in a manner which would allow Eurosystem eligibility  
*Soll in EZB-fähiger Weise gehalten werden*

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

- Common Code  
*Common Code*
- ISIN Code  
*ISIN Code*
- German Securities Code  
*Wertpapier-Kenn-Nummer (WKN)*
- Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

025694678  
*025694678*

DE000HBE0HR3  
*DE000HBE0HR3*

HBE0HR  
*HBE0HR*

**Yield**  
**Rendite**

Yield  
(if Notes are not redeemed prior to maturity)  
*Rendite*

3.62 per cent. per annum  
*3,62 % per annum*

*(sofern die Schuldverschreibungen nicht vor Endfälligkeit gekündigt werden)*

Method of calculating the yield  
*Berechnungsmethode der Rendite*

ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

Other method (specify)  
*Andere Methode (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

*Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]*

Details relating to the Performance of the [Index][Formula][other variable].  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

Name of index  
*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket)  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**  
***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

**Market disruption or settlement disruption events that may affect the underlying**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

**Adjustment rules with relation to events concerning the underlying**  
***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**

*Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage*

**Selling Restrictions**

**Verkaufsbeschränkungen**

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*

TEFRA C  
*TEFRA C*

TEFRA D  
*TEFRA D*

Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*

Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**

**Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.

*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

none  
*keine*

**Restrictions on the free transferability of the Notes**

**Beschränkungen der freien Übertragbarkeit der Wertpapiere**

none  
*keine*

**TERMS AND CONDITIONS OF THE OFFER**

**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

Conditions, offer statistics, plan of distribution and allotment, pricing

*Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung*

none  
*keine*

Conditions to which the offer is subject

*Bedingungen, denen das Angebot unterliegt*

none  
*keine*

Time period, including any possible amendments, during which the offer will be open

*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Description of the application process

*Beschreibung des Prozesses für die Umsetzung des Angebots*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants

*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)

*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Method and time limits for paying up the notes and for delivery of the notes

*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung*

Manner and date in which results of the offer are to be made public

*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Various categories of potential investors to which the notes are offered

*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made

*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.

*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

**Placing and Underwriting**  
***Platzierung und Übernahme***

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.*

**Method of distribution**  
***Vertriebsmethode***

Non-syndicated  
*Nicht syndiziert*

Syndicated  
*Syndiziert*

**Subscription Agreement**  
***Übernahmevertrag***

Date of Subscription Agreement  
*Datum des Subscription Agreements*

General Features of the Subscription Agreement  
*Hauptmerkmale des Übernahmevertrags*

**Management Details including form of commitment**  
***Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme***

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortium (Name und Adresse angeben)*

DZ BANK AG  
Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main  
Platz der Republik  
D-60265 Frankfurt am Main

firm commitment  
*feste Zusage*

no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**  
***Provisionen***

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

none  
*keine*

Selling Concession (specify) <i>Verkaufsprovision (angeben)</i>	none <i>keine</i>
Listing Commission <i>Börsenzulassungprovision</i>	none <i>keine</i>
Other (specify) <i>Andere (angeben)</i>	
<b>Stabilising Dealer(s)/Manager(s)</b> <b><i>Kursstabilisierender Dealer/Manager</i></b>	none <i>keiner</i>
<b>Subscription Agreement</b> <b><i>Übernahmevertrag</i></b>	not applicable <i>nicht anwendbar</i>

- Date of subscription agreement  
*Datum des Übernahmevertrags*
- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

<b>Listing(s)</b> <b><i>Börsenzulassung(en)</i></b>	Yes <i>Ja</i>
--	------------------

- Luxembourg  
*Luxemburg*
  - Regulated Market
  - Euro MTF
- Düsseldorf
- Other (insert details)  
*Sonstige (Einzelheiten einfügen)*

<b>Date of admission</b> <b><i>Datum der Zulassung</i></b>	has been applied for <i>ist beantragt</i>
---	--

<b>Estimate of the total expenses related to admission to trading</b> <b><i>Geschätzte Gesamtkosten für die Zulassung zum Handel</i></b>	EUR 1,000 <i>EUR 1.000</i>
---	-------------------------------

All regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe sämtlicher geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg  
*Luxemburg*
- Düsseldorf
- Other (insert details)  
*Andere (Einzelheiten einfügen)*

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

- Not applicable  
*Nicht anwendbar*



**Rating**  
**Rating**

has been applied for  
*ist beantragt*

**Other relevant terms and conditions (specify)**  
**Andere relevante Bestimmungen (einfügen)**

**Listing:**  
**Börsenzulassung:**

Düsseldorf  
*Düsseldorf*

The above Final Terms comprise the details required to list this issue of Notes pursuant to the € 30,000,000,000 Essen Hyp Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (as from 13 June 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Schuldverschreibungen unter dem € 30.000.000.000 Essen Hyp Debt Issuance Programme der Hypothekenbank in Essen Aktiengesellschaft (ab dem 13. Juni 2006) erforderlich sind.*

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt "Responsibility Statement" auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten weggelassen wurden, deren Fehlen die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.*

Hypothekenbank in Essen Aktiengesellschaft

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[Name & title of signatory]

[Name und Titel des Unterzeichnenden]

Die Bestimmungen dieser Emissionsbedingungen gelten für diese Schuldverschreibungen so, wie sie durch die Angaben der beigefügten endgültigen Bedingungen (die "Endgültigen Bedingungen") vervollständigt, geändert, ergänzt oder ganz oder teilweise ersetzt 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 wären; sofern die Endgültigen Bedingungen die Änderung, Ergänzung oder (vollständige oder teilweise) Ersetzung von Bestimmungen dieser Emissionsbedingungen vorsieht, gelten die betreffenden Bestimmungen dieser Emissionsbedingungen als entsprechend geändert, ergänzt oder ersetzt; alternative oder wählbare Bestimmungen dieser Emissionsbedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausdrücklich ausgefüllt oder 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 anwendbaren Endgültigen Bedingungen allerdings ausschließlich für die Gläubiger solcher Schuldverschreibungen erhältlich.

# EMISSIONSBEDINGUNGEN FÜR SCHULDVERSCHREIBUNGEN (AUSGENOMMEN PFANDBRIEFE UND GENUSSSCHEINE)

## § 1

### WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN

- (1) *Währung; Stückelung.* Diese Serie HBE0HR von Schuldverschreibungen (die "Schuldverschreibungen") der Hypothekbank in Essen Aktiengesellschaft (die "Emittentin") wird in Euro (die "festgelegte Währung") im Gesamtnennbetrag von Euro 50.000.000 (in Worten: Euro fünfzig Millionen) in Stückelungen von Euro 1.000 (die "festgelegten Stückelungen") begeben.
- (2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber und sind durch eine oder mehrere Globalurkunden verbrieft (jede eine "Globalurkunde").
- (3) *Dauerglobalurkunde.* Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die "Dauerglobalurkunde") ohne Zinsscheine verbrieft. Die Dauerglobalurkunde trägt die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.
- (4) *Clearing System.* Jede Schuldverschreibungen verbrieft Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt. "Clearing System" bedeutet folgendes Clearstream Banking AG ("CBF").
- (5) *Gläubiger von Schuldverschreibungen.* "Gläubiger" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Schuldverschreibungen.

## § 2

### STATUS

Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind.

## § 3

### ZINSEN

- (1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden in Höhe ihres Nennbetrages verzinst, und zwar vom 13. Juni 2006 (einschließlich) bis zum 13. Juni 2007 (ausschließlich) mit jährlich 3,40% und vom 13. Juni 2007 (einschließlich) bis zum Fälligkeitstag (wie in § 5(1) definiert) (ausschließlich) mit jährlich 3,85%. Die Zinsen sind nachträglich am 13. Juni eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am 13. Juni 2007.
- (2) *Auflaufende Zinsen.* Der Zinslauf der Schuldverschreibungen endet an dem Tag, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung des ausstehenden Nennbetrages der Schuldverschreibungen vom Tag der Fälligkeit bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst.
- (3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).
- (4) *Zinstagequotient.* "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "Zinsberechnungszeitraum"):

die Anzahl von Tagen im jeweiligen Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls ein solcher nicht vorgesehen ist, vom Verzinsungsbeginn) bis zum jeweiligen Zinszahlungstag (ausschließlich) dividiert durch (x) bei Schuldverschreibungen deren Zinsen nur durch regelmäßige jährliche Zinszahlungen ausgezahlt werden sollen, (die Anzahl der Tage im jeweiligen Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls keiner, von dem Verzinsungsbeginn) bis zum nächsten vorgesehenen Zinszahlungstag (ausschließlich) oder (y) bei Schuldverschreibungen deren Zinsen anders als nur durch regelmäßige jährliche Zinszahlungen ausgezahlt werden sollen, das Produkt aus der Anzahl der Tage im Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls ein solcher nicht vorgesehen ist, vom Verzinsungsbeginn) bis zum nächsten vorgesehenen Zinszahlungstag (ausschließlich) und der Anzahl von Zinszahlungstagen, die in einem Kalenderjahr vorkommen würden falls Zinsen für das gesamte betreffende Jahr zu zahlen wären.

#### § 4 ZAHLUNGEN

(1) (a) *Zahlungen auf Kapital.* Zahlungen auf Kapital in bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems gegen Vorlage und (außer im Fall von Teilzahlungen) Einreichung der die Schuldverschreibungen zum Zeitpunkt der Zahlung verbriefenden Globalurkunde bei der bezeichneten Geschäftsstelle der Emissionsstelle außerhalb der Vereinigten Staaten.

(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in Euro.

(3) *Vereinigte Staaten.* Für die Zwecke des Absatzes 1 dieses § 4 bezeichnet "Vereinigte Staaten" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Ricos, der U. S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(4) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *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 (i) das Clearing System und (ii) das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET) Zahlungen abwickeln.

(6) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Schuldverschreibungen; den vorzeitigen Rückzahlungsbetrag der Schuldverschreibungen; den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen; sowie jeden Aufschlag sowie sonstige auf oder in bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Emissionsbedingungen auf Zinsen auf Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge einschließen.

(7) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem 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 RÜCKZAHLUNG

### (1) Rückzahlung bei Endfälligkeit.

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am 13. Juni 2008 (der "Fälligkeitstag") zurückgezahlt. Der Rückzahlungsbetrag in bezug auf jede Schuldverschreibung entspricht dem Nennbetrag der Schuldverschreibungen.

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Emissionsstelle und gemäß § 12 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrem vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Bundesrepublik Deutschland 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 vernünftiger der Emittentin 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 verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von zusätzlichen Beträgen nicht mehr wirksam ist.

Eine solche Kündigung hat gemäß § 12 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

### (3) Vorzeitige Rückzahlung nach Wahl der Emittentin.

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt am Wahl-Rückzahlungstag (Call) zum Wahl-Rückzahlungsbetrag (Call), wie nachstehend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

Wahl-Rückzahlungstag (Call)	Wahl-Rückzahlungsbetrag (Call)
13. Juni 2007	Gesamtnennbetrag

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 12 bekannt zu geben. Sie beinhaltet die folgenden Angaben:

- (i) die zurückzuzahlende Serie von Schuldverschreibungen;
- (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen;
- (iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als 3 Frankfurter Bankarbeitstage 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

Clearing Systems ausgewählt.

(5) *Vorzeitiger Rückzahlungsbetrag.*

Für die Zwecke von Absatz 2 dieses § 5 und § 9, entspricht der vorzeitige Rückzahlungsbetrag einer Schuldverschreibung dem Rückzahlungsbetrag.

**§ 6**

**DIE EMISSIONSSTELLE UND DIE ZAHLSTELLE**

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Emissionsstelle und die anfänglich bestellte Zahlstelle und deren jeweilige bezeichnete Geschäftsstelle lauten wie folgt:

Emissionsstelle: Hypothekenbank in Essen Aktiengesellschaft  
Gildehofstraße 1  
D-45127 Essen

Zahlstelle: Hypothekenbank in Essen Aktiengesellschaft  
Gildehofstraße 1  
D-45127 Essen

Die Emissionsstelle und die Zahlstelle behalten sich das Recht vor, jederzeit ihre jeweilige bezeichnete Geschäftsstelle durch eine andere bezeichnete Geschäftsstelle in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle oder einer Zahlstelle zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Zahlstellen zu bestellen. Die Emittentin wird zu jedem Zeitpunkt (i) eine Emissionsstelle unterhalten, (ii) zusätzlich zu der Emissionsstelle eine Zahlstelle mit bezeichneter Geschäftsstelle in einer kontinentaleuropäischen Stadt unterhalten und (iii) solange die Schuldverschreibungen an der Düsseldorfer Börse notiert sind, eine Zahlstelle (die die Emissionsstelle sein kann) mit bezeichneter Geschäftsstelle in Düsseldorf und/oder an solchen anderen Orten unterhalten, die die Regeln dieser Börse verlangen. 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) *Beauftragte der Emittentin.* Die Emissionsstelle und die Zahlstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern; es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

**§ 7**

**STEUERN**

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge sind an der Quelle ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "zusätzlichen Beträge") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht für solche Steuern und Abgaben, die:

(a) von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass der Emittent aus den von ihm zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen

(oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder

(c) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 12 wirksam wird; oder

(d) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, ab zuziehen oder einzubehalten sind.

## **§ 8 VORLEGUNGSFRIST**

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

## **§ 9 KÜNDIGUNG**

(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrem vorzeitigen Rückzahlungsbetrag (wie in § 5 beschrieben), zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls:

(a) die Emittentin Kapital oder Zinsen nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitstag zahlt; oder

(b) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen unterlässt und diese Unterlassung nicht geheilt werden kann oder, falls sie geheilt werden kann, länger als 30 Tage fort dauert, nachdem die Emissionsstelle hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder

(c) die Emittentin ihre Zahlungsunfähigkeit bekannt gibt oder ihre Zahlungen einstellt; oder

(d) ein Gericht ein Insolvenzverfahren gegen die Emittentin eröffnet, oder die Emittentin ein solches Verfahren einleitet oder beantragt oder eine allgemeine Schuldenregelung zu Gunsten ihrer Gläubiger anbietet oder trifft; oder

(e) die Emittentin in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist; oder

(f) in der Bundesrepublik Deutschland irgendein Gesetz, eine Verordnung oder behördliche Anordnung erlassen wird oder ergeht, aufgrund derer die Emittentin daran gehindert wird, die von ihr gemäß diesen Emissionsbedingungen übernommenen Verpflichtungen in vollem Umfang zu beachten und zu erfüllen und diese Lage nicht binnen 90 Tagen behoben ist.

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

(2) *Bekanntmachung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich in deutscher oder englischer Sprache gegenüber der Emissionsstelle zu erklären und persönlich oder per Einschreiben an deren bezeichnete Geschäftsstelle zu übermitteln. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Gläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Schuldverschreibung ist. Der Nachweis kann durch eine Bescheinigung der Depotbank (wie in § 13 (4) definiert) oder auf andere geeignete Weise erbracht werden.

## **§ 10 ERSETZUNG**

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger ein mit ihr verbundenes Unternehmen (wie unten definiert) an ihrer Stelle 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 Emittentin und die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erlangt haben und berechtigt sind, an die Emissionsstelle die zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der hierin 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) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger bezüglich der Ersetzung auferlegt werden;
  - (d) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die sicherstellen, dass jeder Gläubiger wirtschaftlich mindestens so gestellt wird, wie er ohne eine Ersetzung stehen würde; und
- (d) der Emissionsstelle ein oder mehrere Rechtsgutachten von anerkannten Rechtsanwälten vorgelegt werden, die bestätigen, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c) und (d) erfüllt wurden.

Für die Zwecke dieses § 10 bedeutet "verbundenes Unternehmen" ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz.

(2) *Bekanntmachung.* Jede Ersetzung ist gemäß § 12 bekannt zu machen.

(3) *Änderung von Bezugnahmen.* Im Fall einer Ersetzung gilt jede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, gilt ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat. Des weiteren gilt im Fall einer Ersetzung folgendes:

- (a) in § 7 und § 5(2) gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat);
- (b) in § 9(1)(c) bis (f) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin);
- (c) in § 9(1) gilt ein weiterer Kündigungsgrund als aufgenommen, der dann besteht, wenn die Garantie gemäß Absatz 1 (d) aus irgendeinem Grund nicht mehr gilt.

## § 11

### BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Emissionsstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu

entwerten und können nicht wiederbegeben oder wiederverkauft werden.

## **§ 12 MITTEILUNGEN**

(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen sind in einer führenden Tageszeitung mit allgemeiner Verbreitung in Deutschland, voraussichtlich *Börsen-Zeitung* zu veröffentlichen. Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) *Mitteilungen an das Clearing-System*

Solange Schuldverschreibungen an einer Börse notiert sind, findet Absatz 1 Anwendung. Soweit dies die Regeln der Düsseldorfer Börse zulassen, kann die Emittentin eine Veröffentlichung in einer Tageszeitung 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.

## **§ 13 ANWENDBARES RECHT, ERFÜLLUNGORT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG**

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) *Erfüllungsort.* Erfüllungsort ist Essen.

(3) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("Rechtsstreitigkeiten") ist das Landgericht Essen. Die deutschen Gerichte sind ausschließlich zuständig für die Kraftloserklärung abhandelter oder vernichteter Schuldverschreibungen.

(4) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "Depotbank" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

## **§ 14 SPRACHE**

Diese Emissionsbedingungen sind in deutscher Sprache abgefasst.

The Final Terms will be displayed on the website of Essenhyp ([www.essenhyp.com](http://www.essenhyp.com)) and in case of Notes listed on the Düsseldorf Stock Exchange on the website of the Düsseldorf Stock Exchange ([www.boerse-duesseldorf.de](http://www.boerse-duesseldorf.de)).

5 June, 2006

Final Terms  
*Endgültige Bedingungen*

USD 200,000,000 Fixed Rate Public Sector Pfandbriefe due May 8, 2013  
issued pursuant to the

**Euro 30,000,000,000**  
**Essenhyp Debt Issuance Programme**

dated 28 April 2006

of  
der

**Hypothesenbank in Essen Aktiengesellschaft**

Issue Price: 100.00 per cent.

Issue Date 8 June, 2006

Series No: HBE0HT

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the euro 30,000,000,000 Debt Issuance Programme of Hypothesenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothesenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "**Prospectus**") and these Final Terms. The Prospectus is available for viewing in electronic form at the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and at the website of Hypothesenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothesenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothesenbank in Essen Aktiengesellschaft (das „Programm“). Vollständige Informationen über die Hypothesen Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der „**Prospekt**“) zusammengenommen werden. Der Prospekt kann auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothesenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothesenbank in Essen Aktiengesellschaft, Marktfolge Treasury Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

**I. TERMS AND CONDITIONS**  
**I. EMISSIONSBEDINGUNGEN**

This part of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die „Emissionsbedingungen“) zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die „Bedingungen“) gestrichen.*

The Conditions applicable to the Notes (the "Conditions") and the German or English language translation thereof, if any, are attached to these Final Terms. They replace in full the Terms and Conditions of the Notes as set out in the Prospectus dated 28 April 2006 and take precedence over any conflicting provisions in these Final Terms.

*Die für die Schuldverschreibungen geltenden Bedingungen (die „Bedingungen“) sowie eine etwaige deutsch- oder englischsprachige Übersetzung sind Endgültigen Bedingungen beigefügt. Die Bedingungen ersetzen in Gänze die im Prospekt vom 28. April 2006 abgedruckten Emissionsbedingungen der Schuldverschreibungen und gehen etwaigen abweichenden Bestimmungen dieser Endgültigen Bedingungen vor.*

#### **PART I.A. Notes other than Participation Certificates**

#### **TEIL I.A. Schuldverschreibungen, die keine Genußscheine sind**

**Issuer**  
**Emittentin**

**Hypotheker bank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
Nicht-konsolidierte Bedingungen
- Integrated  
Konsolidierte Bedingungen

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
ausschließlich Deutsch
- English only  
ausschließlich Englisch

- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency <i>Festgelegte Währung</i>	United States Dollars ("USD")
Aggregate Principal Amount <i>Gesamtnennbetrag</i>	USD 200,000,000
Specified Denomination(s) <i>Festgelegte Stückelung/Stückelungen</i>	USD 1,000,000
Number of Notes to be issued in each Specified Denomination <i>Anzahl der in jeder festgelegten Stückelung auszugebenden Schuldverschreibungen</i>	200

**Form**  
**Form**

- Notes**  
**Schuldverschreibungen**
- Pfandbriefe**
  - Mortgage Pfandbriefe  
*Hypothekenpfandbriefe*
  - Public-Sector Pfandbriefe  
*Öffentliche Pfandbriefe*
- TEFRA C**  
**TEFRA C**
  - Permanent Global Note  
*Dauerglobalurkunde*
  - Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
    - Definitive Notes  
*Einzelurkunden*
- TEFRA D**  
**TEFRA D**
  - Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
    - Permanent Global Note  
*Dauerglobalurkunde*
    - Definitive Notes  
*Einzelurkunden*

- Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**
- Permanent Global Note  
*Dauerglobalurkunde*
- Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
  - Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
***Einzelurkunden***

**No**

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
***Definitionen***

Clearing System

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S.A./N.V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- Other – (specify)  
*sonstige (angeben)*

**STATUS (§ 2)**  
***STATUS (§ 2)***

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
***ZINSEN (§ 3)***

- Fixed Rate Notes**  
***Festverzinsliche Schuldverschreibungen***  
**Rate of Interest and Interest Payment Dates**  
***Zinssatz und Zinszahlungstage***

Interest Commencement Date <i>Verzinsungsbeginn</i>	8 June, 2006
Rate of Interest <i>Zinssatz</i>	5.57 per cent. per annum
fixed Interest Payment Date(s) <i>feste(r) Zinszahlungstag(e)</i>	8 May and 8 November in each year from and including 8 November, 2006 (short first coupon) to and including the Maturity Date, subject to adjustment for payment only in accordance with the Modified Following Business Day Convention
First Interest Payment Date <i>Erster Zinszahlungstag</i>	8 November, 2006
Initial Broken Amount(s) (per specified denomination) <i>Anfängliche(r) Bruchteilzinsbetrag(-beträge)(für jede festgelegte Stückelung)</i>	USD23,208.33 payable on 8 November, 2006
Fixed Interest Date preceding the Maturity Date <i>Festzinstermine, der dem Fälligkeitstag vorangeht</i>	8 November, 2012
Final Broken Amount(s) (per specified denomination) <i>Abschließende(r) Bruchteilzinsbetrag(-beträge) (für jede festgelegte Stückelung)</i>	
<input type="checkbox"/> <b>Floating Rate Notes</b> <b><i>Variabel verzinsliche Schuldverschreibungen</i></b> <b>Interest Payment Dates</b> <b><i>Zinszahlungstage</i></b>	
Interest Commencement Date <i>Verzinsungsbeginn</i>	
Specified Interest Payment Dates <i>Festgelegte Zinszahlungstage</i>	
Specified Interest Period(s) <i>Festgelegte Zinsperiode(n)</i>	
<b>Business Day Convention</b> <b><i>Geschäftstagskonvention</i></b>	
<input type="checkbox"/> Modified Following Business Day Convention <i>Modifizierte folgender Geschäftstag-Konvention</i>	
<input type="checkbox"/> FRN Convention (specify period(s)) <i>FRN Konvention (Zeitraum angeben)</i>	<input type="checkbox"/> [ ] [months/other specify] <input type="checkbox"/> [ ] [Monate/andere angeben]
<input type="checkbox"/> Following Business Day Convention <i>Folgender Geschäftstag-Konvention</i>	
<input type="checkbox"/> Preceding Business Day Convention <i>Vorangegangener Geschäftstag-Konvention</i>	

**Relevant Financial Centres**  
**Relevante Finanzzentren**

London, New York, TARGET and  
Tokyo

**Rate of Interest**  
**Zinssatz**

- Screen Rate Determination  
*Bildschirmfeststellung*
- EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/Interbanken-Markt in der Euro-Zone)*
- Screen page  
*Bildschirmseite*
- LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/Londoner Interbanken-Markt)*
- Screen page  
*Bildschirmseite* [ ]
- Other (specify)  
*Sonstige (angeben)* [ ]
- Screen page  
*Bildschirmseite* [ ]
- Formula  
*Formel*  
(set forth details in full here or in an attachment)  
(*Einzelheiten hier oder in einer Anlage einfügen*)
- Reference Banks (if other than as specified in § 3(2)) (specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*
- ISDA Determination  
*ISDA-Feststellung* [specify details]  
*[Details einfügen]*
- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))* [ ]

**Margin**  
**Marge**

- plus  
*plus*
- minus  
*minus*



**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz*
- Maximum Rate of Interest  
*Höchstzinssatz*
- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield  
*Emissionsrendite*

- Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen/Ausweichbestimmungen))*
- Instalment Notes**  
**Raten-Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*
- Index-linked Notes**  
**Indexierte Schuldverschreibungen**  
(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlagen für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

- Credit-linked Notes**  
**Credit-linked Notes**  
(set forth details in full here (including basis for calculating interest and fall back provisions))  
*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*
- other structured Notes**  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

London, New York, TARGET and  
Tokyo

**REDEMPTION (§ 5)**  
**RÜCKZAHLUNG (§ 5)**

**Final Redemption**  
**Rückzahlung bei Endfälligkeit**

- Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**  
**Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen**
- Maturity Date  
*Fälligkeitstag*
- Redemption Month  
*Rückzahlungsmonat*
- Final Redemption Amount  
*Rückzahlungsbetrag*

8 May, 2013, subject to adjustment for payment only in accordance with the Modified Following Business Day Convention  
May

<input checked="" type="checkbox"/>	Principal amount <i>Nennbetrag</i>	USD 200,000,000
<input checked="" type="checkbox"/>	Final Redemption Amount (per specified denomination) <i>Rückzahlungsbetrag (für jede festgelegte Stückelung)</i>	USD 1,000,000
<input type="checkbox"/>	<b>Instalment Notes</b> <b><i>Raten-Schuldverschreibungen</i></b> Instalment Date(s) <i>Ratenzahlungstermin (e)</i>  Instalment Amount(s) <i>Rate(n)</i>	
	<b>Early Redemption</b> <b><i>Vorzeitige Rückzahlung</i></b>	
	<b>Optional Redemption for Taxation Reasons</b> <b><i>Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen</i></b>	<b>No</b>
	<b>Early Redemption at the Option of the Issuer</b> <b><i>Vorzeitige Rückzahlung nach Wahl der Emittentin</i></b>	<b>No</b>
	Minimum Redemption Amount <i>Mindestrückzahlungsbetrag</i>	
	Higher Redemption Amount <i>Höherer Rückzahlungsbetrag</i>	
	Call Redemption Date(s) <i>Wahlrückzahlungstag(e) (Call)</i>	
	Call Redemption Amount(s) <i>Wahlrückzahlungsbetrag/-beträge (Call)</i>	
	Minimum Notice to Holders <i>Mindestkündigungsfrist</i>	
	Maximum Notice to Holders <i>Höchstkündigungsfrist</i>	
	<b>Early Redemption at the Option of a Holder</b> <b><i>Vorzeitige Rückzahlung nach Wahl des Gläubigers</i></b>	<b>No</b>
	Put Redemption Date(s) <i>Wahlrückzahlungstag(e) (Put)</i>	
	Put Redemption Amount(s) <i>Wahlrückzahlungsbetrag/-beträge (Put)</i>	
	Minimum Notice to Issuer <i>Mindestkündigungsfrist</i>	
	Maximum Notice to Issuer (never more than 60 days) <i>Höchstkündigungsfrist (nie mehr als 60 Tage)</i>	
	<b>Early Redemption Amount</b> <b><i>Vorzeitiger Rückzahlungsbetrag</i></b>	

Zero Coupon Notes:  
*Nullkupon-Schuldverschreibungen:*

Reference Price  
*Referenzpreis*

**Redemption of Notes other than Zero Coupon, Fixed Rate, Floating Rate and Instalment Notes**  
***Rückzahlung von Schuldverschreibungen, die weder Nullkupon-, festverzinsliche, variabel verzinsliche noch Raten-Schuldverschreibungen sind***

- Dual Currency Notes**  
***Doppelwährungs-Schuldverschreibungen***  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine principal/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))*
- Index-linked Notes**  
***Indexierte Schuldverschreibungen***  
(set forth details in full here)  
*(Einzelheiten einfügen)*
- Credit-linked Notes**  
***Credit-linked Schuldverschreibungen***  
(set forth details in full here)  
*(Einzelheiten einfügen)*
- other structured Notes**  
***andere strukturierte Schuldverschreibungen***  
(set forth details in full here)  
*(Einzelheiten einfügen)*

**FISCAL AGENT[.,] [AND] PAYING AGENT[S]] [AND CALCULATION AGENT] (§ 6)**  
***EMISSIONSSTELLE[.,] [UND] ZAHLSTELLE[N]] [UND BERECHNUNGSSTELLE] (§ 6)***

Paying Agents  
*Zahlstellen*

- Fiscal Agent**  
***Emissionsstelle***  
  
Hypothenbank in Essen  
Aktiengesellschaft
- Additional Paying Agent(s)/specified office(s)**  
***Zahlstelle(n)/bezeichnete Geschäftsstelle(n)***  
  
BNP Paribas Luxembourg
- Calculation Agent**  
***Berechnungsstelle***
  - Yes**  
***Ja***
  - No**  
***Nein***
  - Required location (specify)**  
***Vorgeschriebenen Ort (angeben)***

**NOTICES (§ [12])**  
**MITTEILUNGEN (§ [12])**

**Place and medium of publication**  
**Ort und Medium der Bekanntmachung**

Publication in printed form  
*Bekanntmachung in gedruckter Form*

- London (Financial Times)  
*London (Financial Times)*
- Luxembourg (d'Wort)  
*Luxemburg (d' Wort)*
- Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*
- Other (specify)  
*sonstige (angeben)*

[ ]

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

No

Stock Exchange  
Düsseldorf  
*Börse*

Internet Address  
*Internetadresse*

**Governing Law**  
**Anwendbares Recht**

**German Law**  
**Deutsches Recht**

**PART I.B. PARTICIPATION CERTIFICATES**  
**TEIL I.B. GENUßSCHEINE**

Not applicable

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Issue, Principal Amount (§ 1)**  
**Begebung, Nennbetrag (§ 1)**

Aggregate Principal Amount  
*Gesamtnennbetrag*

Date of general meeting  
*Datum der Hauptversammlung*

Number of Participation Certificates

Anzahl der Stücke

Principal amount  
Nennbetrag

**Distributions (§ 2)**  
**Ausschüttung (§ 2)**

- Fixed Rate Participation Certificates  
*festverzinsliche Genußscheine*

Rate of interest  
Zinssatz

Interest Commencement Date  
Verzinsungsbeginn

- Floating Rate Participation Certificates  
*variabel verzinsliche Genußscheine*

Interest Commencement Date  
Verzinsungsbeginn

Reference Dates  
Referenztermine

Margin  
Marge

Euribor Rate  
[three/six/nine/twelve month]  
Euribor-Satz  
[drei/sechs/neun/zwölf Monate]

Screen Page  
Bildschirmseite

Distribution Date(s)  
Ausschüttungstag(e)

First Distribution Date  
Erster Ausschüttungstag

**Term, Termination by the Issuer (§ 6)**  
**Laufzeit, Kündigung (§ 6)**

End of term  
Laufzeitende

end of fiscal year [ ]  
Ende Geschäftsjahr [ ]

Repayment Date  
Rückzahlungstag

**Interest Rate applicable to the Final Interest Period**  
**Zinssatz für die abschließende Zinsperiode**

- Distribution rate  
Ausschüttungszinssatz

- Other (specify)

*Sonstige (angeben)*

**Termination**  
**Kündigung**

Call Date  
*Ankündigungstermin*

Date of Termination  
*Kündigungstermin*

**PART I. C.: GLOBAL PFANDBRIEFE**  
**TEIL I. C.: GLOBALPFANDBRIEFE**

Not Applicable

**General Provisions (§ 1)**  
**Allgemeine Bestimmungen (§ 1)**

- [Global] Mortgage Pfandbriefe  
*[Global] Hypothekendarlehen*
- [Global] Public-Sector Pfandbriefe  
*[Global] Öffentliche Darlehen*

Aggregate Principal Amount  
*Gesamtnennbetrag*

Number of Notes  
*Anzahl der Stücke*

**Currency**  
**Währung**

- EUR
- USD

**Interest (§ 2)**  
**Zinsen (§ 2)**

Rate of interest  
*Zinssatz*

Interest Commencement Date  
*Verzinsungsbeginn*

First Interest Payment Date  
*Erster Festzinstermine*

Fixed Interest Payment Date(s)  
*Festzinstermine*

**Repayment (§ 3)**  
**Rückzahlung (§ 3)**

Specified Maturity Date  
*Festgelegter Endfälligkeitstag*

**Payments (§ 4)**  
**Zahlungen (§ 4)**

Relevant Financial Center(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

Paying Agent  
*Zahlstelle*

- BNP Paribas Securities Services Luxembourg Branch
- Hypothekenbank in Essen AG



**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**Specific Risk Factors**  
**Spezielle Risikofaktoren**

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind**

none

**Reasons for the offer**  
**Gründe für das Angebot**

The Issuer expects to use the proceeds for refinancing of public-sector loans and assets constituting substitute cover for public-sector Pfandbriefe currently financed by other means. Proceeds will in any event be used in accordance with all applicable laws and regulations, notably the Pfandbrief Act (Pfandbriefgesetz).

Estimated net proceeds USD 200,000,000

*Geschätzter Nettobetrag der Erträge*

Estimated total expenses of the issue  
*Geschätzte Gesamtkosten der Emission*

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

Common Code 025735684  
*Common Code*

ISIN Code XS0257356849  
*ISIN Code*

German Securities Code HBE0HT  
*Wertpapier-Kenn-Nummer (WKN)*

Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

**Yield**  
**Rendite**

Yield 5.57 per cent.  
*Rendite*

Method of calculating the yield  
*Berechnungsmethode der Rendite*

ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

Other methods (specify)  
*Andere Methoden (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen

Page]

*Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]*

- Details relating to the Performance of the [Index][Formula][other variable].  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

*[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)]*

*[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können)]*

Name of index

*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained

*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate

*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket)<sup>1</sup>  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**  
*Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind*

Not Applicable

**Market disruption or settlement disruption events that may affect the underlying**  
*Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen*

Not Applicable

**Adjustment rules with relation to events concerning the underlying**  
*Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen*

Not Applicable

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**  
*Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erörterung der Auswirkungen auf den Wert der Anlage*

Not Applicable

**Selling Restrictions**  
*Verkaufsbeschränkungen*

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*
- TEFRA C  
*TEFRA C*
- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
*Besteuerung*

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

none

**Restrictions on the free transferability of the Notes**  
*Beschränkungen der freien Übertragbarkeit der Wertpapiere*

Not Applicable

**TERMS AND CONDITIONS OF THE OFFER**  
*BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS*

Conditions, offer statistics, plan of distribution and allotment, pricing

**Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung**

**Conditions to which the offer is subject**  
**Bedingungen, denen das Angebot unterliegt**

**Time period, including any possible amendments, during which the offer will be open**  
**Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt**

**Description of the application process**  
**Beschreibung des Prozesses für die Umsetzung des Angebots**

**A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants**  
**Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner**

**Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)**  
**Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)**

**Method and time limits for paying up the notes and for delivery of the notes**  
**Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung**

**Manner and date in which results of the offer are to be made public**  
**Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind**

**The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.**  
**Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte**

**Various categories of potential investors to which the notes are offered**  
**Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden**

**Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made**  
**Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist**

**Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.**  
**Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.**

**Placing and Underwriting**  
**Platzierung und Übernahme**

**Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.**  
**Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.**

**Method of distribution**  
**Vertriebsmethode**

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

Date of Subscription Agreement  
*Datum des Subscription Agreements*

**Management Details including form of commitment**  
**Einzelheiten bezüglich des Bankenkonsortiums**  
**einschließlich der Art der Übernahme**

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortiumr (Name und Adresse angeben)*

**Citigroup Global Markets Limited**  
**Citigroup Centre**  
**Canada Square**  
**Canary Wharf**  
**London E14 5LB**

- firm commitment  
*feste Zusage*
- no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**  
**Provisionen**

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)  
*Verkaufsprovision (angeben)*

Other (specify)  
*Andere (angeben)*

**Stabilising Dealer/Manager**  
**Kursstabilisierender Dealer/Manager**

Not Applicable

**Subscription Agreement**  
**Übernahmevertrag**

- Date of subscription agreement  
*Datum des Übernahmevertrags*

- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)**  
**Börsenzulassung(en)**

No

- Luxembourg  
*Luxemburg*
- Regulated Market "Bourse de Luxembourg"
- Euro MTF

- Düsseldorf
- Other (insert details)  
*sonstige (Einzelheiten einfügen)*

**Date of admission**  
**Termin der Zulassung**

Not Applicable

**Estimate of the total expenses related to admission to trading**  
**Geschätzte Gesamtkosten für die Zulassung zum Handel**

Regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg (Bourse de Luxembourg)  
*Luxemburg (Bourse de Luxembourg)*
- Düsseldorf
- Other (insert details)  
*Andere (Einzelheiten einfügen)*

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

- Not applicable [specify details]  
*Nicht anwendbar [Einzelheiten einfügen]*

**Rating**  
**Rating**

Requested

**Other relevant terms and conditions (specify)**  
**Andere relevante Bestimmungen (einfügen)**

[ ]

**Listing:**

Not Applicable

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt „Responsibility Statement“ auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, daß diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung*



The Final Terms will be displayed on the website of Essenhyp ([www.essenhyp.com](http://www.essenhyp.com)) and in case of Notes listed on the Luxembourg Stock Exchange on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

**FINAL TERMS**  
**ENDGÜLTIGE BEDINGUNGEN**

**30 May 2006**  
**30. Mai 2006**

Final Terms  
Endgültige Bedingungen

**EUR 10,000,000 Floating Rate Public-Sector Pfandbriefe due 30 June 2014**  
issued pursuant to the

**EUR 10.000.000 variabel verzinsliche Öffentliche Pfandbriefe fällig 30. Juni 2014**  
*begeben aufgrund des*

**Euro 30,000,000,000**  
**Essenhyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
*der*

**Hypothesenbank in Essen Aktiengesellschaft**

Issue Price: 100 per cent.  
*Ausgabepreis: 100%*

Issue Date: 31 May 2006  
*Valutierungstag: 31. Mai 2006*

Series No: HBE0HJ  
*Serien Nr.: HBE0HJ*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the Euro 30,000,000,000 Debt Issuance Programme of Hypothesenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothesenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "**Prospectus**") and these Final Terms. The Prospectus and any supplement thereto are available for viewing in electronic form at the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and at the website of Hypothesenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothesenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothesenbank in Essen Aktiengesellschaft (das "Programm"). Vollständige Informationen über die Hypothesen Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das*



*Programm (der "Prospekt") zusammengefasst werden. Der Prospekt sowie jeder Nachtrag können in elektronischer Form auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

## **I. TERMS AND CONDITIONS**

### **I. EMISSIONSBEDINGUNGEN**

This part of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die "Emissionsbedingungen") zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die "Bedingungen") gestrichen.*

**PART I. A. Notes other than Participation Certificates**  
**TEIL I. A. Schuldverschreibungen, die keine Genußscheine sind**

**Issuer**

*Emittentin*

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**

*Form der Bedingungen*

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**

*Sprache der Bedingungen*

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency <i>Festgelegte Währung</i>	Euro ("EUR") <i>Euro ("EUR")</i>
Aggregate Principal Amount <i>Gesamtnennbetrag</i>	EUR 10,000,000 <i>EUR 10.000.000</i>
Specified Denomination(s) <i>Festgelegte Stückelung/Stückelungen</i>	EUR 100,000 <i>EUR 100.000</i>
Number of Notes to be issued in each Specified Denomination <i>Anzahl der in jeder festgelegten Stückelung auszugebenden Schuldverschreibungen</i>	100 <i>100</i>
Minimum Transfer Amount (specify) <i>Mindestnennbetrag für Übertragungen (angeben)</i>	EUR 100,000 <i>EUR 100.000</i>

**Form**  
**Form**

**Notes**  
**Schuldverschreibungen**

■ **Pfandbriefe**

Mortgage Pfandbriefe  
*Hypothekenpfandbriefe*

- **Public-Sector Pfandbriefe**  
*Öffentliche Pfandbriefe*

- **New Global Note**  
*New Global Note*

■ **TEFRA C**  
*TEFRA C*

- **Permanent Global Note**  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
*TEFRA D*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

Definitive Notes  
*Einzelurkunden*

**Neither TEFRA D nor TEFRA C**  
*Weder TEFRA D noch TEFRA C*

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
*Einzelurkunden*

Coupons  
*Zinsscheine*

Talons  
*Talons*

Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
*Definitionen*

**No**  
**Nein**

#### Clearing System

Clearstream Banking AG  
 Neue Börsenstraße 1  
 D-60487 Frankfurt am Main

- Euroclear Bank S. A./N. V. (Euroclear Operator)  
 1 Boulevard du Roi Albert II  
 B-1210 Brussels
  - Clearstream Banking, société anonyme  
 42 Avenue JF Kennedy  
 L-1855 Luxembourg
  - The Depository Trust Company  
 55 Water Street  
 New York, NY 10041-0099  
 USA
- Other – (specify)  
*Sonstige (angeben)*

#### **STATUS (§ 2)**

##### **STATUS (§ 2)**

Unsubordinated  
*Nicht-nachrangig*

Subordinated  
*Nachrangig*

#### **INTEREST (§ 3)**

##### **ZINSEN (§ 3)**

##### **Fixed Rate Notes**

***Festverzinsliche Schuldverschreibungen***  
**Rate of Interest and Interest Payment Dates**  
***Zinssatz und Zinszahlungstage***

Interest Commencement Date  
*Verzinsungsbeginn*

Rate of Interest  
*Zinssatz*

Fixed Interest Payment Date(s)  
*Feste(r) Zinszahlungstag(e)*

First Interest Payment Date  
*Erster Zinszahlungstag*

Initial Broken Amount(s) (per specified denomination)  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

Fixed Interest Date preceding the Maturity Date  
*Festzinstermine, die dem Fälligkeitstag vorangehen*

Final Broken Amount(s) (per specified denomination)  
*Abschließende(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

■ **Floating Rate Notes**

**Variabel verzinsliche Schuldverschreibungen**

**Interest Payment Dates**

**Zinszahlungstage**

Interest Commencement Date

*Verzinsungsbeginn*

Specified Interest Payment Dates

*Festgelegte Zinszahlungstage*

Specified Interest Period(s)

*Festgelegte Zinsperiode(n)*

**Business Day Convention**

**Geschäftstagskonvention**

- Modified Following Business Day Convention  
*Modifizierte folgender Geschäftstag-Konvention*

FRN Convention (specify period(s))  
*FRN Konvention (Zeitraum angeben)*

Following Business Day Convention  
*Folgender Geschäftstag-Konvention*

Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**

**Relevante Finanzzentren**

**Rate of Interest**

**Zinssatz**

- Screen Rate Determination

31 May 2006

*31. Mai 2006*

20 March, 20 June, 20 September and 20 December in each year from and including 20 September 2006 up to and including the Maturity Date, subject to adjustment in accordance with the Modified Following Business Day Convention and there shall be an adjustment to the accrual of interest.

*20. März, 20. Juni, 20. September und 20. Dezember eines jeden Jahres, beginnend mit dem 20. September 2006. Letzter Zinszahlungstag ist der Fälligkeitstag. Modifizierte folgender Geschäftstag-Konvention ist anwendbar inkl. Anpassung der Zinsperioden*

3 months

**3 Monate**

Adjusted

London and TARGET

*London und TARGET*

*Bildschirmfeststellung*

- EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)

3 month EUR-EURIBOR, save for (i) the Interest Period from and including the Issue Date to but excluding 20 September 2006, where the rate will be the interpolated 3- and 4-month rate, and (ii) the Interest Period from the 20 June 2014 to but excluding the Maturity Date where the rate will be the interpolated 1- and 2-week rate.

*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/  
Interbanken-Markt in der Euro-Zone)*

Screen page  
*Bildschirmseite*

Telerate Page 3750  
*Telerate Seite 3750*

LIBOR (London time/London Business Day London Interbank Market)

*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/  
Londoner Interbanken-Markt)*

Screen page  
*Bildschirmseite*

Other (specify)  
*Sonstige (angeben)*

Screen page  
*Bildschirmseite*

Formula  
*Formel*

(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*

Reference Banks (if other than as specified in § 3(2)) (specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*

ISDA Determination  
*ISDA-Feststellung*

Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

**Margin**  
**Marge**

plus  
*plus*

0.01 per cent. per annum  
*0,01 % per annum*

- minus  
*minus*

**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

Minimum Rate of Interest  
*Mindestzinssatz*

Maximum Rate of Interest  
*Höchstzinssatz*

**Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield  
*Emissionsrendite*

**Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen**

(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen, eine Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen sowie Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

**Instalment Notes**  
**Raten-Schuldverschreibungen**

(set forth details in full here)  
*(Einzelheiten einfügen)*

**Index-linked Notes**  
**Indexierte Schuldverschreibungen**

(set forth details in full here (including index/formula, basis for calculating interest, a description of any market

disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))

*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlagen für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

#### **Credit-linked Notes**

##### **Credit-linked Notes**

(set forth details in full here (including basis for calculating interest and fall back provisions))

*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*

##### **other structured Notes**

##### **andere strukturierte Schuldverschreibungen**

(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))

*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

#### **Day Count Fraction**

##### **Zinstagequotient**

Actual/Actual (ICMA)

Actual/Actual (ISDA) (Actual/365)

Actual/365 (Fixed)

■ Actual/360

30/360 or 360/360 (Bond Basis)

30E/360 (Eurobond Basis)

□ Other

*Anderer*

#### **PAYMENTS (§ 4)**

##### **ZAHLUNGEN (§ 4)**

##### **Payment Business Day**

##### **Zahlungstag**

Relevant Financial Centre(s) (specify all)

*Relevante(s) Finanzzentren(um) (alle angeben)*

London and TARGET  
London und TARGET

#### **REDEMPTION (§ 5)**

##### **RÜCKZAHLUNG (§ 5)**

##### **Final Redemption**



**Rückzahlung bei Endfälligkeit**

- **Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**

**Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen**

- **Maturity Date**

30 June 2014, subject to adjustment in accordance with the Modified Following Business Day Convention.

*Fälligkeitstag*

*30. June 2014. Modifizierte folgender Geschäftstag-Konvention ist anwendbar*

Redemption Month  
*Rückzahlungsmonat*

Final Redemption Amount  
*Rückzahlungsbetrag*

- **Principal amount**  
*Nennbetrag*

Final Redemption Amount (per specified denomination)  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*

EUR 100,000  
EUR 100.000

**Instalment Notes**  
**Raten-Schuldverschreibungen**

Instalment Date(s)  
*Ratenzahlungstermin (e)*

Instalment Amount(s)  
*Rate(n)*

**Early Redemption**  
**Vorzeitige Rückzahlung**

**Optional Redemption for Taxation Reasons**  
**Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen** **No**  
**Nein**

**Early Redemption at the Option of the Issuer**  
**Vorzeitige Rückzahlung nach Wahl der Emittentin** **No**  
**Nein**

Minimum Redemption Amount  
*Mindestrückzahlungsbetrag*

Higher Redemption Amount  
*Höherer Rückzahlungsbetrag*

Call Redemption Date(s)  
*Wahrückzahlungstag(e) (Call)*

Call Redemption Amount(s)  
*Wahrückzahlungsbetrag/-beträge (Call)*

Minimum Notice to Holders  
*Mindestkündigungsfrist*

Maximum Notice to Holders  
*Höchstkündigungsfrist*

**Early Redemption at the Option of a Holder**  
***Vorzeitige Rückzahlung nach Wahl des Gläubigers***

**No**  
***Nein***

Put Redemption Date(s)  
*Wahlrückzahlungstag(e) (Put)*

Put Redemption Amount(s)  
*Wahlrückzahlungsbetrag/-beträge (Put)*

Minimum Notice to Issuer  
*Mindestkündigungsfrist*

Maximum Notice to Issuer (never more than 60 days)  
*Höchstkündigungsfrist (nie mehr als 60 Tage)*

**Early Redemption Amount**  
***Vorzeitiger Rückzahlungsbetrag***

Zero Coupon Notes:  
*Nullkupon-Schuldverschreibungen:*

Reference Price  
*Referenzpreis*

**Redemption of Notes other than Zero Coupon, Fixed Rate,  
Floating Rate and Instalment Notes**

***Rückzahlung von Schuldverschreibungen, die weder  
Nullkupon-, festverzinsliche, variabel verzinsliche noch  
Raten-Schuldverschreibungen sind***

**Dual Currency Notes**

***Doppelwährungs-Schuldverschreibungen***

(set forth details in full here (including exchange rate(s)  
or basis for calculating exchange rate(s) to determine  
principal/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e)  
oder Grundlage für die Berechnung des/der Wechselkurs(e)  
zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))*

**Index-linked Notes**

***Indexierte Schuldverschreibungen***

(set forth details in full here)  
*(Einzelheiten einfügen)*

**Credit-linked Notes**

***Credit-linked Schuldverschreibungen***

(set forth details in full here)  
*(Einzelheiten einfügen)*

**other structured Notes**

***andere strukturierte Schuldverschreibungen***

(set forth details in full here)  
*(Einzelheiten einfügen)*

**FISCAL AGENT, PAYING AGENT AND CALCULATION AGENT (§ 6)**  
**EMISSIONSSTELLE, ZAHLSTELLE UND BERECHNUNGSSTELLE (§ 6)**

Paying Agents  
*Zahlstellen*

- Fiscal Agent  
*Emissionsstelle*

BNP Paribas Securities Services,  
 Luxembourg Branch

Additional Paying Agent(s)/specified office(s)  
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*

- Calculation Agent  
*Berechnungsstelle*

BNP Paribas Securities Services,  
 Luxembourg Branch

- Yes  
*Ja*

No  
*Nein*

Required location (specify)  
*Vorgeschriebenen Ort (angeben)*

**NOTICES (§ 10)**  
**MITTEILUNGEN (§ 10)**

**Place and medium of publication**  
***Ort und Medium der Bekanntmachung***

Publication in printed form  
*Bekanntmachung in gedruckter Form*

London (Financial Times)  
*London (Financial Times)*

- Luxembourg (d'Wort)  
*Luxemburg (d'Wort)*

Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*

Other (specify)  
*Sonstige (angeben)*

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

Stock Exchange  
*Börse*

**Luxembourg Stock Exchange**

Internet Address  
*Internetadresse*

**www.bourse.lu**

**Governing Law**  
***Anwendbares Recht***

**German Law**  
***Deutsches Recht***

**PART I. B. PARTICIPATION CERTIFICATES**  
**TEIL I. B. GENUSSSCHEINE**

**Issuer**  
**Emittentin**

Not Applicable  
 Nicht anwendbar

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Issue, Principal Amount (§ 1)**  
**Begebung, Nennbetrag (§ 1)**

Aggregate Principal Amount  
*Gesamtnennbetrag*

Date of general meeting  
*Datum der Hauptversammlung*

Number of Participation Certificates  
*Anzahl der Stücke*

Principal amount  
*Nennbetrag*

**Distributions (§ 2)**  
**Ausschüttung (§ 2)**

- Fixed Rate Participation Certificates  
*festverzinsliche Genussscheine*

Rate of interest  
*Zinssatz*

Interest Commencement Date  
*Verzinsungsbeginn*

- Floating Rate Participation Certificates  
*variabel verzinsliche Genussscheine*

Interest Commencement Date  
*Verzinsungsbeginn*

Reference Dates  
*Referenztermine*

Margin  
*Marge*

Euribor Rate [three/six/nine/twelve month]  
*Euribor-Satz [drei/sechs/neun/zwölf Monate]*

Screen Page  
*Bildschirmseite*

Distribution Date(s)  
*Ausschüttungstag(e)*

First Distribution Date  
*Erster Ausschüttungstag*

**Term, Termination by the Issuer (§ 6)**  
***Laufzeit, Kündigung (§ 6)***

End of term  
*Laufzeitende*

Repayment Date  
*Rückzahlungstag*

**Interest Rate applicable to the Final Interest Period**  
***Zinssatz für die abschließende Zinsperiode***

Distribution rate  
*Ausschüttungszinssatz*

Other (specify)  
*Sonstige (angeben)*

**Termination**  
***Kündigung***

Call Date  
*Ankündigungstermin*

Date of Termination  
*Kündigungstermin*

**PART I. C.: GLOBAL PFANDBRIEFE**  
**TEIL I. C.: GLOBALPFANDBRIEFE**

**Issuer**  
**Emittentin**

Not Applicable  
 Nicht anwendbar

**General Provisions (§ 1)**  
**Allgemeine Bestimmungen (§ 1)**

- [Global] Mortgage Pfandbriefe  
 [Global] Hypothekendarlehen
- [Global] Public-Sector Pfandbriefe  
 [Global] Öffentliche Darlehen

Aggregate Principal Amount  
 Gesamtnennbetrag

Number of Notes  
 Anzahl der Stücke

Principal Amount  
 Nennbetrag

Number of Notes to be issued in the Principal Amount  
 Anzahl der im Nennbetragsauszugebenden  
 Schuldverschreibungen

Custodian for The Depository Trust Company  
 Verwahrer für The Depository Trust Company

- J. P. Morgan Trust Company, National Association
- Other (specify)  
 Anderer (angeben)

**Currency**  
**Währung**

- EUR
- USD

**Interest (§ 2)**  
**Zinsen (§ 2)**

Rate of interest  
 Zinssatz

Interest Commencement Date  
 Verzinsungsbeginn

Fixed Interest Payment Date(s)  
 Festzinstermine

First Interest Payment Date  
 Erster Festzinstern

Initial Broken Amount

*Anfänglicher Bruchteilzinsbetrag*

Fixed Interest Date preceding the Maturity Date  
*Festzinstermine, der dem Fälligkeitstag vorangeht*

Final Broken Amount  
*Abschließender Bruchteilzinsbetrag*

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (Actual/365)
- 30/360

**Repayment (§ 3)**  
**Rückzahlung (§ 3)**

Specified Maturity Date  
*Festgelegter Endfälligkeitstag*

**Payments (§ 4)**  
**Zahlungen (§ 4)**

Frankfurt Business Day  
*Frankfurter Geschäftstag*

- TARGET

**Registrar and Paying Agents (§ 8)**  
**Die Registrierungsstelle und die Zahlstellen (§ 8)**

Paying Agent  
*Zahlstelle*

- BNP Paribas Securities Services Luxembourg Branch
- Hypothekenbank in Essen AG
- J. P. Morgan Trust Company, National Association
- Other (specify)  
*Andere (angeben)*

**Notices (§ 9)**  
**Bekanntmachungen (§ 9)**

- d'Wort

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**Specific Risk Factors**  
**Spezielle Risikofaktoren** None  
Keine

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer**  
**Personen, die an der Emission/dem Angebot beteiligt sind**

- Save as discussed in the Prospectus under "Interest of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

*Mit Ausnahme der im Prospekt im Abschnitt "Interest of Natural and Legal Persons involved in the Issue/Offer" angesprochenen Interessen bestehen bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin keine Interessen, die für das Angebot bedeutsam sind.*

- Other interest (specify)  
Andere Interessen (angeben)

**Reasons for the offer**  
**Gründe für das Angebot** Refinance

Estimated net proceeds EUR 10,000,000  
*Geschätzter Nettobetrag der Erträge* EUR 10.000.000

Estimated total expenses of the issue EUR 3,000  
*Geschätzte Gesamtkosten der Emission* EUR 3.000

**Eurosystem eligibility**  
**EZB-Fähigkeit**

Intended to be held in a manner which would allow  
Eurosystem eligibility  
*Soll in EZB-fähiger Weise gehalten werden*

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

- Common Code 025486498  
*Common Code* 025486498
  - ISIN Code XS0254864985  
*ISIN Code* XS0254864985
  - German Securities Code HBE0HJ  
*Wertpapier-Kenn-Nummer (WKN)* HBE0HJ
- Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

**Yield**  
**Rendite**

Yield



*Rendite*

Method of calculating the yield

*Berechnungsmethode der Rendite*

ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis

*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

Other methods (specify)

*Andere Methoden (angeben)*

■ **Historic Interest Rates**

***Zinssätze der Vergangenheit***

Details of historic EURIBOR rates can be obtained from Telerate Page 3750

*Einzelheiten der Entwicklung der EURIBOR Sätze in der Vergangenheit können abgerufen werden unter Telerate seite 3750*

Details relating to the Performance of the [Index][Formula][other variable].

*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

Name of index

*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained

*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate

*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket)  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**

***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

Not Applicable

*Nicht anwendbar*

**Market disruption or settlement disruption events that may affect the underlying**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

Not Applicable

*Nicht anwendbar*

**Adjustment rules with relation to events concerning the underlying**

***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

Not Applicable  
Nicht anwendbar

**Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**

**Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage**

Not Applicable  
Nicht anwendbar

**Selling Restrictions**  
**Verkaufsbeschränkungen**

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*

- TEFRA C  
*TEFRA C*

TEFRA D  
*TEFRA D*

Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*

Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
**Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.

*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

Not Applicable  
Nicht anwendbar

**Restrictions on the free transferability of the Notes**  
**Beschränkungen der freien Übertragbarkeit der Wertpapiere**

None  
*keine*

**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

Conditions, offer statistics, plan of distribution and allotment, pricing  
*Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung*

Not Applicable  
Nicht anwendbar

Conditions to which the offer is subject  
*Bedingungen, denen das Angebot unterliegt*

Time period, including any possible amendments, during which the offer will be open  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

Description of the application process  
*Beschreibung des Prozesses für die Umsetzung des Angebots*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants

*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)

*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

Method and time limits for paying up the notes and for delivery of the notes  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung*

Manner and date in which results of the offer are to be made public  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

Various categories of potential investors to which the notes are offered  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made

*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.

*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

- Not applicable  
*Nicht anwendbar*

- Specify Details  
*Einzelheiten einfügen*

#### **Placing and Underwriting** ***Platzierung und Übernahme***

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.*

#### **Method of distribution** ***Vertriebsmethode***

- Non-syndicated  
*Nicht syndiziert*

Syndicated  
*Syndiziert*

#### **Subscription Agreement** ***Übernahmevertrag***

Not Applicable  
*Nicht anwendbar*

Date of Subscription Agreement  
*Datum des Subscription Agreements*

General Features of the Subscription Agreement  
*Hauptmerkmale des Übernahmevertrags*

#### **Management Details including form of commitment**

**Einzelheiten bezüglich des Bankenkonsortiums  
einschließlich der Art der Übernahme**

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortiumr (Name und Adresse angeben)*

J.P. Morgan Securities Ltd.  
125 London Wall  
London EC2Y 5AJ  
United Kingdom

■ firm commitment  
*feste Zusage*

no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions  
Provisionen**

Not Applicable  
*Nicht anwendbar*

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)  
*Verkaufsprovision (angeben)*

Listing Commission  
*Börsenzulassungprovision*

Other (specify)  
*Andere (angeben)*

**Stabilising Dealer(s)/Manager(s)  
Kursstabilisierender Dealer/Manager**

None  
*keiner*

**Subscription Agreement  
Übernahmevertrag**

Not Applicable  
*Nicht anwendbar*

– Date of subscription agreement  
*Datum des Übernahmevertrags*

– General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)  
Börsenzulassung(en)**

Yes  
*Ja*

■ Luxembourg  
*Luxemburg*

■ Regulated Market "Bourse de Luxembourg"

Euro MTF

Düsseldorf

Other (insert details)  
*Sonstige (Einzelheiten einfügen)*

**Date of admission  
Termin der Zulassung**

31 May 2006  
*31. Mai 2006*

**Estimate of the total expenses related to admission to trading**

Not applicable

**Geschätzte Gesamtkosten für die Zulassung zum Handel**

Nicht anwendbar

All regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe sämtlicher geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

Luxembourg

*Luxemburg*

Düsseldorf

Other (insert details)

*Andere (Einzelheiten einfügen)*

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

Not applicable [specify details]

*Nicht anwendbar [Einzelheiten einfügen]***Rating***Rating*

Requested

**Other relevant terms and conditions (specify)***Andere relevante Bestimmungen (einfügen)*

Not Applicable

*Nicht anwendbar***Listing:*****Börsenzulassung:***

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 30,000,000,000 Essenhyp Debt Issuance Programme of Hypothekbank in Essen Aktiengesellschaft (as from 31 May 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Pfandbriefen unter dem € 30.000.000.000 Essenhyp Debt Issuance Programme der Hypothekbank in Essen Aktiengesellschaft (ab dem 31. Mai 2006) erforderlich sind.*

**Responsibility*****Verantwortlichkeit***

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt "Responsibility Statement" auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, daß diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten*

*Informationen ableiten konnte – keine Fakten ausgelassen 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.*

Hypothesenbank in Essen Aktiengesellschaft

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The Final Terms will be displayed on the website of Essen Hyp ([www.essenhyp.com](http://www.essenhyp.com)) and in case of Notes listed on the Luxembourg Stock Exchange on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

23 May 2006  
23. Mai 2006

Final Terms  
Endgültige Bedingungen

EUR 50,000,000 3.875 per cent. Mortgage Pfandbriefe of 2006 due 26 May 2011  
issued pursuant to the

*EUR 50.000.000 3,875% Hypothekendarlehen von 2006 fällig 26. Mai 2011  
begeben aufgrund des*

**Euro 30,000,000,000  
Essen Hyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
*der*

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: 100.044 per cent.  
*Ausgabepreis: 100,044%*

Issue Date: 26 May 2006  
*Tag der Begebung: 26. Mai 2006*

Series No: HBE0HP  
*Serien Nr.: HBE0HP*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the Euro 30,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "**Prospectus**") and these Final Terms. The Prospectus and any supplement thereto is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das "Programm"). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der "Prospekt") zusammengenommen werden. Der Prospekt sowie jeder Nachtrag können in elektronischer Form auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*



**Part I. TERMS AND CONDITIONS**  
**Teil I. EMISSIONSBEDINGUNGEN**

This Part I of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil I der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die "Emissionsbedingungen") zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die "Bedingungen") gestrichen.*

**PART I. A. Notes other than Participation Certificates**  
**TEIL I. A. Schuldverschreibungen, die keine Genussscheine sind**

**Issuer**  
**Emittentin**

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency  
*Festgelegte Währung*

Euro („EUR“)  
*Euro („EUR“)*

Aggregate Principal Amount  
*Gesamtnennbetrag*

EUR 50,000,000  
*EUR 50.000.000*

Specified Denomination(s)  
*Festgelegte Stückelung/Stückelungen*

EUR 50,000  
*EUR 50.000*

Number of Notes to be issued in each Specified Denomination  
*Anzahl der in jeder festgelegten Stückelung auszugebenden Schuldverschreibungen*

1,000  
*1.000*

Minimum Transfer Amount (specify)  
*Mindestnennbetrag für Übertragungen (angeben)*

EUR 50,000  
*EUR 50.000*

**Form**  
**Form**

Notes  
*Schuldverschreibungen*

Pfandbriefe

Mortgage Pfandbriefe  
*Hypothekendarlehenpfandbriefe*

Public-Sector Pfandbriefe  
*Öffentliche Pfandbriefe*

New Global Note

No

New Global Note

Nein

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

Definitive Notes  
*Einzelurkunden*

**Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
**Einzelurkunden**

No  
Nein

Coupons  
*Zinsscheine*

Talons  
*Talons*

Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
**Definitionen**

Clearing System  
*Clearing System*

Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main

Euroclear Bank S. A./N. V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels

Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg

The Depository Trust Company  
55 Water Street

New York, NY 10041-0099  
USA

- Other (specify)  
*Sonstige (angeben)*

**STATUS (§ 2)**  
**STATUS (§ 2)**

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
**ZINSEN (§ 3)**

- Fixed Rate Notes**

***Festverzinsliche Schuldverschreibungen***  
**Rate of Interest and Interest Payment Dates**  
***Zinssatz und Zinszahlungstage***

Interest Commencement Date  
*Verzinsungsbeginn*

26 May 2006  
*26. Mai 2006*

Rate of Interest  
*Zinssatz*

3.875 per cent. per annum  
*3,875 % per annum*

Fixed Interest Payment Date(s)  
*Feste(r) Zinszahlungstage(e)*

15 February in each year  
*15. Februar in jedem Jahr*

First Interest Payment Date  
*Erster Zinszahlungstag*

15 February 2007  
*15. Februar 2007*

Initial Broken Amount(s) (per specified denomination)  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

EUR 1,406.68 per EUR 50,000  
*EUR 1.406,68 per EUR 50.000*

Fixed Interest Date preceding the Maturity Date  
*Festzinstermine, der dem Fälligkeitstag vorangeht*

15 February 2010  
*15. Februar 2010*

Final Broken Amount(s) (per specified denomination)  
*Abschließende(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

- Floating Rate Notes**  
***Variabel verzinsliche Schuldverschreibungen***  
**Interest Payment Dates**  
***Zinszahlungstage***

Interest Commencement Date  
*Verzinsungsbeginn*

Specified Interest Payment Dates  
*Festgelegte Zinszahlungstage*

Specified Interest Period(s)  
*Festgelegte Zinsperiode(n)*

**Business Day Convention**  
***Geschäftstagskonvention***

- Modified Following Business Day Convention  
*Modifizierte Folgender Geschäftstag-Konvention*
- FRN Convention (specify period(s))

*FRN Konvention (Zeitraum angeben)*

- Following Business Day Convention  
*Folgender Geschäftstag-Konvention*
- Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**  
**Relevante Finanzzentren**

**Rate of Interest**  
**Zinssatz**

- Screen Rate Determination  
*Bildschirmfeststellung*
  - EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/ Interbanken-Markt in der Euro-Zone)*  
  
Screen page  
*Bildschirmseite*
  - LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/ Londoner Interbanken-Markt)*  
  
Screen page  
*Bildschirmseite*
  - Other (specify)  
*Sonstige (angeben)*  
  
Screen page  
*Bildschirmseite*
  - Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*  
  
Reference Banks (if other than as specified in § 3(2)) (specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*
- ISDA Determination  
*ISDA-Feststellung*
- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

**Margin**  
**Marge**

- plus  
*plus*
- minus  
*minus*

**Interest Determination Date**

### **Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

### **Minimum and Maximum Rate of Interest**

#### **Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz*
- Maximum Rate of Interest  
*Höchstzinssatz*

- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

#### **Accrual of Interest** **Auflaufende Zinsen**

Amortisation Yield  
*Emissionsrendite*

- Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen**

(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen, eine Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen sowie Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

- Instalment Notes**  
**Raten-Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

- Index-linked Notes**  
**Indexierte Schuldverschreibungen**  
(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlage für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

- Credit-linked Notes**  
**Credit-linked Notes**

(set forth details in full here (including basis for calculating interest and fall back provisions))

*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*

**other structured Notes**

**andere strukturierte Schuldverschreibungen**

(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction**

**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)
- Other  
*Anderer*

**PAYMENTS (§ 4)**

**ZAHLUNGEN (§ 4)**

**Payment Business Day**

**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

Clearing System and TARGET  
*Clearing System und TARGET*

**REDEMPTION (§ 5)**

**RÜCKZAHLUNG (§ 5)**

**Final Redemption**

**Rückzahlung bei Endfälligkeit**

- Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**  
**Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen**
- Maturity Date  
*Fälligkeitstag* 15 February 2011  
*15. Februar 2011*
- Redemption Month  
*Rückzahlungsmonat*
- Final Redemption Amount  
*Rückzahlungsbetrag*
- Principal amount  
*Nennbetrag*
- Final Redemption Amount (per specified denomination)  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*

**Instalment Notes**

**Raten-Schuldverschreibungen**

Instalment Date(s)

*Ratenzahlungstermin (e)*

Instalment Amount(s)

*Rate(n)*

**Early Redemption**

***Vorzeitige Rückzahlung***

**Optional Redemption for Taxation Reasons**

***Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen*** **No**  
**Nein**

**Early Redemption at the Option of the Issuer**

***Vorzeitige Rückzahlung nach Wahl der Emittentin*** **No**  
**Nein**

Minimum Redemption Amount

*Mindestrückzahlungsbetrag*

Higher Redemption Amount

*Höherer Rückzahlungsbetrag*

Call Redemption Date(s)

*Wahlrückzahlungstag(e) (Call)*

Call Redemption Amount(s)

*Wahlrückzahlungsbetrag/-beträge (Call)*

Minimum Notice to Holders

*Mindestkündigungsfrist*

Maximum Notice to Holders

*Höchstkündigungsfrist*

**Early Redemption at the Option of a Holder**

***Vorzeitige Rückzahlung nach Wahl des Gläubigers*** **No**  
**Nein**

Put Redemption Date(s)

*Wahlrückzahlungstag(e) (Put)*

Put Redemption Amount(s)

*Wahlrückzahlungsbetrag/-beträge (Put)*

Minimum Notice to Issuer

*Mindestkündigungsfrist*

Maximum Notice to Issuer (never more than 60 days)

*Höchstkündigungsfrist (nie mehr als 60 Tage)*

**Early Redemption Amount**

***Vorzeitiger Rückzahlungsbetrag***

Zero Coupon Notes:

*Nullkupon-Schuldverschreibungen:*

Reference Price

*Referenzpreis*

**Redemption of Notes other than Zero Coupon, Fixed Rate,  
Floating Rate and Instalment Notes**

***Rückzahlung von Schuldverschreibungen, die weder  
Nullkupon-, festverzinsliche, variabel verzinsliche noch  
Raten-Schuldverschreibungen sind***

**Dual Currency Notes**

***Doppelwährungs-Schuldverschreibungen***



(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine principal/fall-back provisions)  
(*Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen*))

- Index-linked Notes**  
**Indexierte Schuldverschreibungen**  
(set forth details in full here)  
(*Einzelheiten einfügen*)
- Credit-linked Notes**  
**Credit-linked Schuldverschreibungen**  
(set forth details in full here)  
(*Einzelheiten einfügen*)
- other structured Notes**  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here)  
(*Einzelheiten einfügen*)

**FISCAL AGENT AND PAYING AGENT (§ 6)**  
**EMISSIONSSTELLE UND ZAHLSTELLE (§ 6)**

Paying Agents  
Zahlstellen

- Fiscal Agent  
*Emissionsstelle*
- Additional Paying Agent(s)/specified office(s)  
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*
- Calculation Agent  
*Berechnungsstelle*
  - Yes  
*Ja*
  - No  
*Nein*
  - Required location (specify)  
*Vorgeschriebenen Ort (angeben)*

Hypothekenbank in Essen AG  
Gildehofstraße1  
D-45127 Essen

Hypothekenbank in Essen AG  
Gildehofstraße1  
D-45127 Essen

**NOTICES (§ [12])**  
**MITTEILUNGEN (§ [12])**

**Place and medium of publication**  
**Ort und Medium der Bekanntmachung**

Publication in printed form  
*Bekanntmachung in gedruckter Form*

- London (Financial Times)  
*London (Financial Times)*
- Luxembourg (d'Wort)  
*Luxemburg (d'Wort)*
- Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*

Other (specify)  
*Sonstige (angeben)*

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

Stock Exchange  
*Börse*

Internet Address  
*Internetadresse*

**Governing law**  
***Anwendbares Recht***

**German Law**  
***Deutsches Recht***

**PART I. B. PARTICIPATION CERTIFICATES**  
**TEIL I. B. GENUSSSCHEINE**

**Issuer**  
**Emittentin**

**Not Applicable**  
**Nicht anwendbar**  
**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Issue, Principal Amount (§ 1)**  
**Begebung, Nennbetrag (§ 1)**

Aggregate Principal Amount  
*Gesamtnennbetrag*

Date of general meeting  
*Datum der Hauptversammlung*

Number of Participation Certificates  
*Anzahl der Stücke*

Principal amount  
*Nennbetrag*

**Distributions (§ 2)**  
**Ausschüttung (§ 2)**

- Fixed Rate Participation Certificates  
*festverzinsliche Genussscheine*

Rate of interest  
*Zinssatz*

Interest Commencement Date  
*Verzinsungsbeginn*

- Floating Rate Participation Certificates  
*variabel verzinsliche Genussscheine*

Interest Commencement Date  
*Verzinsungsbeginn*

Reference Dates  
*Referenztermine*

Margin  
*Marge*

Euribor Rate [three/six/nine/twelve month]  
*Euribor-Satz [drei/sechs/neun/zwölf Monate]*

Screen Page  
*Bildschirmseite*

Distribution Date(s)  
*Ausschüttungstag(e)*

First Distribution Date  
*Erster Ausschüttungstag*

**Term, Termination by the Issuer (§ 6)**  
***Laufzeit, Kündigung (§ 6)***

End of term  
*Laufzeitende*

Repayment Date  
*Rückzahlungstag*

**Interest Rate applicable to the Final Interest Period**  
***Zinssatz für die abschließende Zinsperiode***

Distribution rate  
*Ausschüttungszinssatz*

Other (specify)  
*Sonstige (angeben)*

**Termination**  
***Kündigung***

Call Date  
*Ankündigungstermin*

Date of Termination  
*Kündigungstermin*

**PART I. C.: GLOBAL PFANDBRIEFE**  
**TEIL I. C.: GLOBALPFANDBRIEFE**

**Issuer**  
**Emittentin**

**Not Applicable**  
**Nicht anwendbar**  
**Hypothesenbank in Essen**  
**Aktiengesellschaft**

**General Provisions (§ 1)**  
**Allgemeine Bestimmungen (§ 1)**

- [Global] Mortgage Pfandbriefe  
*[Global] Hypothekendarfandbriefe*
- [Global] Public-Sector Pfandbriefe  
*[Global] Öffentliche Darfandbriefe*

Aggregate Principal Amount  
*Gesamtnennbetrag*

Number of Notes  
*Anzahl der Stücke*

Principal Amount  
*Nennbetrag*

Number of Notes to be issued in the Principal Amount  
*Anzahl der im Nennbetragsausgebenden*  
*Schuldverschreibungen*

Custodian for The Depository Trust Company  
*Verwahrer für The Depository Trust Company*

- J. P. Morgan Trust Company, National Association
- Other (specify)  
*Anderer (angeben)*

**Currency**  
**Währung**

- EUR
- USD

**Interest (§ 2)**  
**Zinsen (§ 2)**

Rate of interest  
*Zinssatz*

Interest Commencement Date  
*Verzinsungsbeginn*

Fixed Interest Payment Date(s)  
*Festzinstermine*

First Interest Payment Date  
*Erster Festzinstern*

Initial Broken Amount  
*Anfänglicher Bruchteilzinsbetrag*

Fixed Interest Date preceding the Maturity Date  
*Festzinstern, der dem Fälligkeitstag vorangeht*

Final Broken Amount  
*Abschließender Bruchteilzinsbetrag*

**Day Count Fraction**

**Zinstagequotient**

- Actual/Actual (Actual/365)
- 30/360

**Repayment (§ 3)**  
**Rückzahlung (§ 3)**

Specified Maturity Date  
*Festgelegter Endfälligkeitstag*

**Payments (§ 4)**  
**Zahlungen (§ 4)**

Frankfurt Business Day  
*Frankfurter Geschäftstag*

- TARGET

**Registrar and Paying Agents (§ 8)**  
**Die Registrierungsstelle und die Zahlstellen (§ 8)**

Paying Agent  
*Zahlstelle*

- BNP Paribas Securities Services Luxembourg Branch
- Hypothekenbank in Essen AG
- J. P. Morgan Trust Company, National Association
- Other (specify)  
*Andere (angeben)*

**Notices (§ 9)**  
**Bekanntmachungen (§ 9)**

- d'Wort

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**Specific Risk Factors**  
**Spezielle Risikofaktoren**

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind**

- Save as discussed in the Prospectus under "Interest of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.  
*Mit Ausnahme der im Prospekt im Abschnitt "Interest of Natural and Legal Persons involved in the Issue/Offer" angesprochenen Interessen bestehen bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin keine Interessen, die für das Angebot bedeutsam sind.*
- Other interest (specify)  
*Andere Interessen (angeben)*

**Reasons for the offer**  
**Gründe für das Angebot**

Estimated net proceeds <i>Geschätzter Nettobetrag der Erträge</i>	EUR 50,022,000 <i>EUR 50.022.000</i>
Estimated total expenses of the issue <i>Geschätzte Gesamtkosten der Emission</i>	EUR 1,100 <i>EUR 1.100</i>

**Eurosystem eligibility**  
**EZB-Fähigkeit**

Intended to be held in a manner which would allow Eurosystem eligibility  
*Soll in EZB-fähiger Weise gehalten werden*

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

- |   |                                     |
|---|-------------------------------------|
| <input checked="" type="checkbox"/> Common Code<br><i>Common Code</i>                             | 025577884<br><i>025577884</i>       |
| <input checked="" type="checkbox"/> ISIN Code<br><i>ISIN Code</i>                                 | DE000HBE0HP7<br><i>DE000HBE0HP7</i> |
| <input checked="" type="checkbox"/> German Securities Code<br><i>Wertpapier-Kenn-Nummer (WKN)</i> | HBE0HP<br><i>HBE0HP</i>             |
| <input type="checkbox"/> Any other securities number<br><i>Sonstige Wertpapier-Kenn-Nummer</i>    |                                     |

**Yield**  
**Rendite**

Yield <i>Rendite</i>	3.868% <i>3,868%</i>
-------------------------	-------------------------

Method of calculating the yield  
*Berechnungsmethode der Rendite*

- ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis

*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

- Other method (specify)  
*Andere Methode (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

*Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]*

- Details relating to the Performance of the [Index][Formula][other variable].  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

Name of index  
*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket)  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**  
***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswertes beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

**Market disruption or settlement disruption events that may affect the underlying**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

**Adjustment rules with relation to events concerning the underlying**  
***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**  
***Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage***

**Selling Restrictions**  
***Verkaufsbeschränkungen***

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*

- TEFRA C  
*TEFRA C*



- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
**Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

none  
*keine*

**Restrictions on the free transferability of the Notes**  
**Beschränkungen der freien Übertragbarkeit der Wertpapiere**

none  
*keine*

**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

Conditions, offer statistics, plan of distribution and allotment, pricing  
*Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung*

Conditions to which the offer is subject  
*Bedingungen, denen das Angebot unterliegt*

Time period, including any possible amendments, during which the offer will be open  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*

- Not applicable  
*Nicht anwendbar*
- Specify Details  
*Einzelheiten einfügen*

Description of the application process  
*Beschreibung des Prozesses für die Umsetzung des Angebots*

- Not applicable  
*Nicht anwendbar*
- Specify Details  
*Einzelheiten einfügen*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants  
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*

- Not applicable  
*Nicht anwendbar*
- Specify Details  
*Einzelheiten einfügen*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)  
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Method and time limits for paying up the notes and for delivery of the notes  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung*

Manner and date in which results of the offer are to be made public  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.  
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Various categories of potential investors to which the notes are offered  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made  
*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.

*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

## **Placing and Underwriting**

## **Platzierung und Übernahme**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.*

### **Method of distribution**

#### **Vertriebsmethode**

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

### **Subscription Agreement**

#### **Übernahmevertrag**

Date of Subscription Agreement  
*Datum des Subscription Agreements*

General Features of the Subscription Agreement  
*Hauptmerkmale des Übernahmevertrags*

### **Management Details including form of commitment**

#### **Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme**

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortium (Name und Adresse angeben)*

DZ BANK AG  
Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main  
Platz der Republik  
60265 Frankfurt am Main

- firm commitment  
*feste Zusage*
- no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

### **Commissions**

#### **Provisionen**

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)  
*Verkaufsprovision (angeben)*

Listing Commission  
*Börsenzulassungprovision*

Other (specify)  
*Andere (angeben)*

### **Stabilising Dealer(s)/Manager(s)** **Kursstabilisierender Dealer/Manager**

### **Subscription Agreement**

#### **Übernahmevertrag**

- Date of subscription agreement  
*Datum des Übernahmevertrags*
- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)**  
**Börsenzulassung(en)**

Yes  
Ja

- Luxembourg  
Luxemburg
  - Regulated Market
  - Euro MTF
- Düsseldorf
- Other (insert details)  
Sonstige (Einzelheiten einfügen)

**Date of admission**  
**Datum der Zulassung**

**Estimate of the total expenses related to admission to trading**  
**Geschätzte Gesamtkosten für die Zulassung zum Handel**

All regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe sämtlicher geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg  
Luxemburg
- Düsseldorf
- Other (insert details)  
Andere (Einzelheiten einfügen)

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

- Not applicable  
Nicht anwendbar

**Rating**  
**Rating**

has been applied  
ist beantragt

**Other relevant terms and conditions (specify)**  
**Andere relevante Bestimmungen (einfügen)**

**Listing:**  
**Börsenzulassung:**

Düsseldorf  
Düsseldorf

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 30,000,000,000 Essen Hyp Debt Issuance Programme of Hypothekbank in Essen Aktiengesellschaft (as from 26 May 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Pfandbriefen unter dem € 30.000.000.000 Essen Hyp Debt Issuance Programme der Hypothekbank in Essen Aktiengesellschaft (ab dem 26. Mai 2006) erforderlich sind.*

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt "Responsibility Statement" auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten weggelassen wurden, deren Fehlen die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.*

Hypothekenbank in Essen Aktiengesellschaft

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**[Name & title of signatory]**

**[Name und Titel des Unterzeichnenden]**

16 May 2006  
16. Mai 2006

Final Terms  
Endgültige Bedingungen

EUR 500,000,000 Floating Rate Public-Sector Pfandbriefe due November 2007  
issued pursuant to the

*EUR 500.000.000 variabel verzinsliche Öffentliche Pfandbriefe fällig im November 2007  
begeben aufgrund des*

**Euro 30,000,000,000  
Essen Hyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
der

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: 100.09 per cent.  
*Ausgabepreis: 100,09%*

Issue Date: 19 May 2006  
*Tag der Begebung: 19. Mai 2006*

Series No: HBE0HG  
*Serien Nr.: HBE0HG*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the Euro 30,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "**Prospectus**") and these Final Terms. The Prospectus and any supplement thereto is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das "Programm"). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der "Prospekt") zusammengenommen werden. Der Prospekt sowie jeder Nachtrag können in elektronischer Form auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

**Part I. TERMS AND CONDITIONS**  
**Teil I. EMISSIONSBEDINGUNGEN**

This Part I of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil I der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die "Emissionsbedingungen") zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die "Bedingungen") gestrichen.*

**PART I. A. Notes other than Participation Certificates**  
**TEIL I. A. Schuldverschreibungen, die keine Genussscheine sind**

**Issuer**  
**Emittentin**

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency <i>Festgelegte Währung</i>	Euro ("EUR") <i>Euro ("EUR")</i>
Aggregate Principal Amount <i>Gesamtnennbetrag</i>	EUR 500,000,000 <i>EUR 500.000.000</i>
Specified Denomination(s) <i>Festgelegte Stückelung/Stückelungen</i>	EUR 50,000 <i>EUR 50.000</i>
Number of Notes to be issued in each Specified Denomination <i>Anzahl der in jeder festgelegten Stückelung auszugebenden Schuldverschreibungen</i>	10,000 <i>10.000</i>
Minimum Transfer Amount (specify) <i>Mindestnennbetrag für Übertragungen (angeben)</i>	

**Form**  
**Form**

- Notes  
*Schuldverschreibungen*
- Pfandbriefe
- Mortgage Pfandbriefe  
*Hypothekendarlehenpfandbriefe*
- Public-Sector Pfandbriefe  
*Öffentliche Pfandbriefe*



- New Global Note**  
*New Global Note*
- TEFRA C**  
**TEFRA C**
  - Permanent Global Note  
*Dauerglobalurkunde*
  - Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
    - Definitive Notes  
*Einzelurkunden*
- TEFRA D**  
**TEFRA D**
  - Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
    - Permanent Global Note  
*Dauerglobalurkunde*
    - Definitive Notes  
*Einzelurkunden*
- Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**
  - Permanent Global Note  
*Dauerglobalurkunde*
  - Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
    - Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
**Einzelurkunden**

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
**Definitionen**

Clearing System  
*Clearing System*

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S. A./N. V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg

**No**  
**Nein**

- The Depository Trust Company  
55 Water Street  
New York, NY 10041-0099  
USA
- Other (specify)  
*Sonstige (angeben)*

**STATUS (§ 2)**  
**STATUS (§ 2)**

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
**ZINSEN (§ 3)**

- Fixed Rate Notes**  
***Festverzinsliche Schuldverschreibungen***  
**Rate of Interest and Interest Payment Dates**  
***Zinssatz und Zinszahlungstage***

Interest Commencement Date  
*Verzinsungsbeginn*

Rate of Interest  
*Zinssatz*

Fixed Interest Payment Date(s)  
*Feste(r) Zinszahlungstag(e)*

First Interest Payment Date  
*Erster Zinszahlungstag*

Initial Broken Amount(s) (per specified denomination)  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

Fixed Interest Date preceding the Maturity Date  
*Festzinstermine, der dem Fälligkeitstag vorangeht*

Final Broken Amount(s) (per specified denomination)  
*Abschließende(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

- Floating Rate Notes**  
***Variabel verzinsliche Schuldverschreibungen***  
**Interest Payment Dates**  
***Zinszahlungstage***

Interest Commencement Date  
*Verzinsungsbeginn*

Specified Interest Payment Dates

*Festgelegte Zinszahlungstage*

19 May 2006  
*19. Mai 2006*

19 February, 19 May,  
19 August and 19 November in  
each year, commencing on  
19 August 2006  
*19. Februar, 19. Mai,  
19. August und 19. November  
in jedem Jahr, beginnend am  
19. August 2006*

Specified Interest Period(s)  
*Festgelegte Zinsperiode(n)*

**Business Day Convention**  
***Geschäftstagskonvention***

- Modified Following Business Day Convention  
*Modifizierte Folgender Geschäftstag-Konvention*
- FRN Convention (specify period(s))  
*FRN Konvention (Zeitraum angeben)*
- Following Business Day Convention  
*Folgender Geschäftstag-Konvention*
- Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**  
***Relevante Finanzzentren***

TARGET  
TARGET

**Rate of Interest**  
***Zinssatz***

- Screen Rate Determination  
*Bildschirmfeststellung*
  - EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/ Interbanken-Markt in der Euro-Zone)*  
  
Screen page  
*Bildschirmseite*
  - LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/ Londoner Interbanken-Markt)*  
  
Screen page  
*Bildschirmseite*
  - Other (specify)  
*Sonstige (angeben)*  
  
Screen page  
*Bildschirmseite*
  - Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*  
  
Reference Banks (if other than as specified in § 3(2)) (specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*
- ISDA Determination  
*ISDA-Feststellung*
- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

Reuters page EURIBOR01  
Reuters Seite EURIBOR01

**Margin**

0.0 per cent. per annum

**Marge**

0,0 % per annum

- plus  
*plus*
- minus  
*minus*

**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz*
- Maximum Rate of Interest  
*Höchstzinssatz*
- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield  
*Emissionsrendite*

- Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen**

(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen, eine Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen sowie Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

- Instalment Notes**  
**Raten-Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

- Index-linked Notes**  
**Indexierte Schuldverschreibungen**  
(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))

*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlage für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

**Credit-linked Notes**

**Credit-linked Notes**

(set forth details in full here (including basis for calculating interest and fall back provisions))

*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*

**other structured Notes**

**andere strukturierte Schuldverschreibungen**

(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))

*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction**

**Zinstagequotient**

Actual/Actual (ICMA)

Actual/Actual (ISDA) (Actual/365)

Actual/365 (Fixed)

Actual/360

30/360 or 360/360 (Bond Basis)

30E/360 (Eurobond Basis)

Other  
*Anderer*

**PAYMENTS (§ 4)**

**ZAHLUNGEN (§ 4)**

**Payment Business Day**

**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

TARGET

**REDEMPTION (§ 5)**

**RÜCKZAHLUNG (§ 5)**

**Final Redemption**

**Rückzahlung bei Endfälligkeit**

**Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**  
**Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen**

Maturity Date  
*Fälligkeitstag*

Redemption Month  
*Rückzahlungsmonat*

November 2007  
*November 2007*

- Final Redemption Amount  
*Rückzahlungsbetrag*
- Principal amount  
*Nennbetrag*
- Final Redemption Amount (per specified denomination)  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*
- Instalment Notes  
**Raten-Schuldverschreibungen**  
Instalment Date(s)  
*Ratenzahlungstermin (e)*  
  
Instalment Amount(s)  
*Rate(n)*

**Early Redemption**  
**Vorzeitige Rückzahlung**

**Optional Redemption for Taxation Reasons** **No**  
**Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen** **Nein**

**Early Redemption at the Option of the Issuer** **No**  
**Vorzeitige Rückzahlung nach Wahl der Emittentin** **Nein**

Minimum Redemption Amount  
*Mindestrückzahlungsbetrag*

Higher Redemption Amount  
*Höherer Rückzahlungsbetrag*

Call Redemption Date(s)  
*Wahlrückzahlungstag(e) (Call)*

Call Redemption Amount(s)  
*Wahlrückzahlungsbetrag/-beträge (Call)*

Minimum Notice to Holders  
*Mindestkündigungsfrist*

Maximum Notice to Holders  
*Höchstkündigungsfrist*

**Early Redemption at the Option of a Holder** **No**  
**Vorzeitige Rückzahlung nach Wahl des Gläubigers** **Nein**

Put Redemption Date(s)  
*Wahlrückzahlungstag(e) (Put)*

Put Redemption Amount(s)  
*Wahlrückzahlungsbetrag/-beträge (Put)*

Minimum Notice to Issuer  
*Mindestkündigungsfrist*

Maximum Notice to Issuer (never more than 60 days)  
*Höchstkündigungsfrist (nie mehr als 60 Tage)*

**Early Redemption Amount**  
**Vorzeitiger Rückzahlungsbetrag**

Zero Coupon Notes:  
*Nullkupon-Schuldverschreibungen:*

Reference Price  
*Referenzpreis*

**Redemption of Notes other than Zero Coupon, Fixed Rate,  
Floating Rate and Instalment Notes**

**Rückzahlung von Schuldverschreibungen, die weder Nullkupon-, festverzinsliche, variabel verzinsliche noch Raten-Schuldverschreibungen sind**

- Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine principal/fall-back provisions))  
(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))
- Index-linked Notes**  
**Indexierte Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)
- Credit-linked Notes**  
**Credit-linked Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)
- other structured Notes**  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)

**FISCAL AGENT AND CALCULATION AGENT (§ 6)**  
**EMISSIONSSTELLE UND BERECHNUNGSSTELLE (§ 6)**

Paying Agents  
Zahlstellen

- Fiscal Agent  
Emissionsstelle
- Additional Paying Agent(s)/specified office(s)  
Zahlstelle(n)/bezeichnete Geschäftsstelle(n) Hypothekenbank in Essen Aktiengesellschaft
- Calculation Agent  
Berechnungsstelle Hypothekenbank in Essen Aktiengesellschaft
- Yes  
Ja
- No  
Nein
- Required location (specify)  
Vorgeschriebenen Ort (angeben)

**NOTICES (§ 10)**  
**MITTEILUNGEN (§ 10)**

**Place and medium of publication**  
**Ort und Medium der Bekanntmachung**

Publication in printed form  
Bekanntmachung in gedruckter Form

- London (Financial Times)  
London (Financial Times)
- Luxembourg (d'Wort)

*Luxemburg (d'Wort)*

Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*

Other (specify)  
*Sonstige (angeben)*

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

Stock Exchange  
*Börse*

Internet Address

**Governing law**  
***Anwendbares Recht***

Internetadresse

**German Law**  
***Deutsches Recht***



**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**Interest of natural and legal persons involved  
in the issue/offer**

***Interessen von Seiten natürlicher und juristischer  
Personen, die an der Emission/dem Angebot beteiligt sind***

- Save as discussed in the Prospectus under "Interest of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

*Mit Ausnahme der im Prospekt im Abschnitt "Interest of Natural and Legal Persons involved in the Issue/Offer" angesprochenen Interessen bestehen bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin keine Interessen, die für das Angebot bedeutsam sind.*

- Other interest (specify)  
*Andere Interessen (angeben)*

**Reasons for the offer**  
***Gründe für das Angebot***

Estimated net proceeds Euro 500,450,000  
*Geschätzter Nettobetrag der Erträge* *Euro 500.450.000*

Estimated total expenses of the issue Euro 1,100  
*Geschätzte Gesamtkosten der Emission* *Euro 1.100*

**Eurosystem eligibility**  
***EZB-Fähigkeit***

Intended to be held in a manner which would allow  
Eurosystem eligibility No  
*Soll in EZB-fähiger Weise gehalten werden* *Nein*

**Securities Identification Numbers**  
***Wertpapier-Kenn-Nummern***

- Common Code 025421299  
*Common Code*
- ISIN Code DE000HBE0HG5  
*ISIN Code*
- German Securities Code HBE0HG  
*Wertpapier-Kenn-Nummer (WKN)*
- Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

**Yield**  
***Rendite***

Yield  
*Rendite*

Method of calculating the yield  
*Berechnungsmethode der Rendite*

- ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis

*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

- Other method (specify)  
*Andere Methode (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

*Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]*

- Details relating to the Performance of the [Index][Formula][other variable].  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)]

*[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können)]*

Name of index  
*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket)  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**  
***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswertes beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

[insert details here]  
*[Einzelheiten hier einfügen]*

**Market disruption or settlement disruption events that may affect the underlying**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

[insert details here]  
*[Einzelheiten hier einfügen]*

**Adjustment rules with relation to events concerning the underlying**  
***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

[insert details here]  
*[Einzelheiten hier einfügen]*

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**  
***Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage***

[specify details here]  
[Einzelheiten hier angeben]

**Selling Restrictions**  
**Verkaufsbeschränkungen**

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*
- TEFRA C  
*TEFRA C*
- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
**Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

none  
*keine*

**Restrictions on the free transferability of the Notes**  
**Beschränkungen der freien Übertragbarkeit der Wertpapiere**

none  
*keine*

**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

Conditions, offer statistics, plan of distribution and allotment, pricing  
*Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung*

Conditions to which the offer is subject  
*Bedingungen, denen das Angebot unterliegt*

Time period, including any possible amendments, during which the offer will be open  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*

- Not applicable  
*Nicht anwendbar*
- Specify Details  
*Einzelheiten einfügen*

Description of the application process  
*Beschreibung des Prozesses für die Umsetzung des Angebots*

- Not applicable  
*Nicht anwendbar*
- Specify Details  
*Einzelheiten einfügen*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants  
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)  
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Method and time limits for paying up the notes and for delivery of the notes  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung*

Manner and date in which results of the offer are to be made public  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.  
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Various categories of potential investors to which the notes are offered  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made  
*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.

*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

Not applicable  
*Nicht anwendbar*

Specify Details  
*Einzelheiten einfügen*

**Placing and Underwriting**

***Platzierung und Übernahme***

Commerzbank Aktiengesellschaft

Kaiserplatz

D-60261 Frankfurt am Main

**Method of distribution**

***Vertriebsmethode***

Non-syndicated  
*Nicht syndiziert*

Syndicated  
*Syndiziert*

**Subscription Agreement**

***Übernahmevertrag***

Date of Subscription Agreement

*Datum des Subscription Agreements*

General Features of the Subscription Agreement

*Hauptmerkmale des Übernahmevertrags*

**Management Details including form of commitment**

***Einzelheiten bezüglich des Bankenkonsortiums***

***einschließlich der Art der Übernahme***

Dealer / Management Group (specify name and address)

*Plazeur / Bankenkonsortium (Name und Adresse angeben)*

Commerzbank  
Aktiengesellschaft

firm commitment  
*feste Zusage*

no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**

***Provisionen***

Management/Underwriting Commission (specify)

*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)

*Verkaufsprovision (angeben)*

Listing Commission

*Börsenzulassungprovision*

Other (specify)

*Andere (angeben)*

**Stabilising Dealer(s)/Manager(s)**

***Kursstabilisierender Dealer/Manager***

None  
*keiner*

**Subscription Agreement**

***Übernahmevertrag***

– Date of subscription agreement

*Datum des Übernahmevertrags*

– General features of the subscription agreement (including the quotas)

*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)** Yes  
**Börsenzulassung(en)** Ja

- Luxembourg  
*Luxemburg*
- Regulated Market
- Euro MTF

Düsseldorf

- Other (insert details)  
*Sonstige (Einzelheiten einfügen)*

**Date of admission** 31 May 2006  
**Datum der Zulassung** 31. Mai 2006

**Estimate of the total expenses related to admission to trading**  
**Geschätzte Gesamtkosten für die Zulassung zum Handel**

All regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe sämtlicher geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg (Bourse de Luxembourg)  
*Luxemburg (Bourse de Luxembourg)*
- Düsseldorf
- Other (insert details)  
*Andere (Einzelheiten einfügen)*

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

- Not applicable  
*Nicht anwendbar*

**Rating**  
**Rating**

**requested**  
**beantragt**

**Other relevant terms and conditions (specify)**  
**Andere relevante Bestimmungen (einfügen)**

**Listing:**  
**Börsenzulassung:**

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 30,000,000,000 Essen Hyp Debt Issuance Programme of Hypothekbank in Essen Aktiengesellschaft (as from 19 May 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Pfandbriefen unter dem € 30.000.000.000 Essen Hyp Debt Issuance Programme der Hypothekbank in Essen Aktiengesellschaft (ab dem 19. Mai 2006) erforderlich sind.*

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt "Responsibility Statement" auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten weggelassen wurden, deren Fehlen die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.*

Hypothekenbank in Essen Aktiengesellschaft

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18 May 2006  
18. Mai 2006

Final Terms  
*Endgültige Bedingungen*

Euro 250,000,000 3.75 per cent. Fixed Rate Mortgage Pfandbriefe due 19 May 2010  
issued pursuant to the

*Euro 250.000.000 3,75 % festverzinsliche Hypothekendarfandbriefe fällig am 19. Mai 2010  
begeben aufgrund des*

**Euro 30,000,000,000  
Essen Hyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
*der*

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: 99.57 per cent.  
*Ausgabepreis: 99,57%*

Issue Date: 19 May 2006  
*Valutierungstag: 19. Mai 2006*

Series No: HBE0HN  
*Serien Nr.: HBE0HN*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the Euro 30,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "Prospectus") and these Final Terms. The Prospectus and any supplement thereto is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das „Programm“). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der „Prospekt“) zusammengenommen werden. Der Prospekt sowie jeder Nachtrag können auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*



## **I. TERMS AND CONDITIONS**

### ***I. EMISSIONSBEDINGUNGEN***

This Part I of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil I der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die „Emissionsbedingungen“) zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die „Bedingungen“) gestrichen.*

#### **PART I.A. Notes other than Participation Certificates**

#### ***TEIL I.A. Schuldverschreibungen, die keine Genußscheine sind***

**Issuer**  
***Emittentin***

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
***Form der Bedingungen***

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
***Sprache der Bedingungen***

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency <i>Festgelegte Währung</i>	Euro ("EUR") <i>Euro („EUR“)</i>
Aggregate Principal Amount <i>Gesamtnennbetrag</i>	EUR 250,000,000 <i>EUR 250.000.000</i>
Specified Denomination(s) <i>Festgelegte Stückelung/Stückelungen</i>	EUR 1,000 <i>EUR 1.000</i>
Number of Notes to be issued in each Specified Denomination <i>Anzahl der in jeder festgelegten Stückelung auszugebenden Schuldverschreibungen</i>	EUR 250,000 <i>EUR 250.000</i>
Minimum Transfer Amount (specify) <i>Mindestnennbetrag für Übertragungen (angeben)</i>	EUR 1,000 <i>EUR 1.000</i>

**Form**  
**Form**

- Notes**  
**Schuldverschreibungen**
- Pfandbriefe**
  - Mortgage Pfandbriefe  
*Hypothekendarlehen*
  - Public-Sector Pfandbriefe  
*Öffentliche Darlehen*
- New Global Note**  
*New Global Note*
- TEFRA C**  
**TEFRA C**
  - Permanent Global Note  
*Dauerglobalurkunde*
  - Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
    - Definitive Notes  
*Einzelurkunden*
- TEFRA D**  
**TEFRA D**
  - Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
    - Permanent Global Note  
*Dauerglobalurkunde*

[Yes/No]  
[Ja/Nein]

- Definitive Notes  
*Einzelurkunden*
- Neither TEFRA D nor TEFRA C**  
***Weder TEFRA D noch TEFRA C***
- Permanent Global Note  
*Dauerglobalurkunde*
- Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
  - Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
***Einzelurkunden***

**No**  
***Nein***

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
***Definitionen***

Clearing System  
*Clearing System*

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S.A./N.V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- The Depository Trust Company  
55 Water Street  
New York, NY 10041-0099  
USA
- Other – (specify)  
*sonstige (angeben)*

**STATUS (§ 2)**  
***STATUS (§ 2)***

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
**ZINSEN (§ 3)**

**Fixed Rate Notes**  
**Festverzinsliche Schuldverschreibungen**  
**Rate of Interest and Interest Payment Dates**  
**Zinssatz und Zinszahlungstage**

Interest Commencement Date 19 May 2006  
*Verzinsungsbeginn* 19. Mai 2006

Rate of Interest 3.75 per cent. per annum  
*Zinssatz* 3,75% per annum

Fixed Interest Payment Date(s) 19 May in each year  
*Feste(r) Zinszahlungstag(e)* 19. Mai in jedem Jahr

First Interest Payment Date 19 May 2007  
*Erster Zinszahlungstag* 19. Mai 2007

Initial Broken Amount(s) (per specified denomination)  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

Fixed Interest Date preceding the Maturity Date  
*Festzinstermine, der dem Fälligkeitstag vorangeht*

Final Broken Amount(s) (per specified denomination)  
*Abschließende(r) Bruchteilzinsbetrag(-beträge) (für jede festgelegte Stückelung)*

**Floating Rate Notes**  
**Variabel verzinsliche Schuldverschreibungen**  
**Interest Payment Dates**  
**Zinszahlungstage**

Interest Commencement Date  
*Verzinsungsbeginn*

Specified Interest Payment Dates  
*Festgelegte Zinszahlungstage*

Specified Interest Period(s)  
*Festgelegte Zinsperiode(n)*  
**Business Day Convention**  
**Geschäftstagskonvention**

Modified Following Business Day Convention  
*Modifizierte folgender Geschäftstag-Konvention*

FRN Convention (specify period(s))  
*FRN Konvention (Zeitraum angeben)*

Following Business Day Convention  
*Folgender Geschäftstag-Konvention*

- Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**  
**Relevante Finanzzentren**

TARGET  
TARGET

**Rate of Interest**  
**Zinssatz**

- Screen Rate Determination  
*Bildschirmfeststellung*
- EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/Interbanken-Markt in der Euro-Zone)*
- Screen page  
*Bildschirmseite*
- LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/Londoner Interbanken-Markt)*
- Screen page  
*Bildschirmseite*
- Other (specify)  
*Sonstige (angeben)*
- Screen page  
*Bildschirmseite*
- Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*
- Reference Banks (if other than as specified in § 3(2))  
(specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*
- ISDA Determination  
*ISDA-Feststellung*
- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

**Margin**  
**Marge**

- plus  
*plus*

- minus  
*minus*

**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz* [ ] per cent. per annum  
[ ] % per annum
- Maximum Rate of Interest  
*Höchstzinssatz* [ ] per cent. per annum  
[ ] % per annum
- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield [ ]  
*Emissionsrendite*

- Dual Currency Notes** [ ]  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen, eine Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen sowie Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

- Instalment Notes** [ ]  
**Raten-Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

- Index-linked Notes** [ ]  
**Indexierte Schuldverschreibungen**  
(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlage für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*
- Credit-linked Notes** [ ]  
**Credit-linked Notes**  
(set forth details in full here (including basis for calculating interest and fall back provisions))  
*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*
- other structured Notes** [ ]  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360, adjusted
- 30/360 or 360/360 (Bond Basis)
- Other  
*Anderer*

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

TARGET  
TARGET

**REDEMPTION (§ 5)**  
**RÜCKZAHLUNG (§ 5)**

**Final Redemption**  
**Rückzahlung bei Endfälligkeit**

- |                                     |  |                             |
|-------------------------------------|--|-----------------------------|
| <input checked="" type="checkbox"/> | <b>Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes</b><br><i>Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen</i> |                             |
| <input checked="" type="checkbox"/> | Maturity Date<br><i>Fälligkeitstag</i>   | 19 May 2010<br>19. Mai 2010 |
| <input checked="" type="checkbox"/> | Redemption Month<br><i>Rückzahlungsmonat</i>   | May 2010<br>Mai 2010        |
| <input checked="" type="checkbox"/> | Final Redemption Amount<br><i>Rückzahlungsbetrag</i>   | Par<br>Par                  |
| <input checked="" type="checkbox"/> | Principal amount<br><i>Nennbetrag</i>  |                             |
| <input type="checkbox"/>            | Final Redemption Amount (per specified denomination)<br><i>Rückzahlungsbetrag (für jede festgelegte Stückelung)</i>  |                             |
| <input type="checkbox"/>            | <b>Instalment Notes</b><br><b>Raten-Schuldverschreibungen</b><br>Instalment Date(s)<br><i>Ratenzahlungstermin (e)</i><br><br>Instalment Amount(s)<br><i>Rate(n)</i>  |                             |

**Early Redemption**  
**Vorzeitige Rückzahlung**

<b>Optional Redemption for Taxation Reasons</b> <i>Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen</i>	No Nein
---	------------

<b>Early Redemption at the Option of the Issuer</b> <i>Vorzeitige Rückzahlung nach Wahl der Emittentin</i>	No Nein
---	------------

Minimum Redemption Amount <i>Mindestrückzahlungsbetrag</i>	[ ]
---	-----

Higher Redemption Amount <i>Höherer Rückzahlungsbetrag</i>	[ ]
---	-----

Call Redemption Date(s) <i>Wahrückzahlungstag(e) (Call)</i>	[ ]
--	-----

Call Redemption Amount(s) <i>Wahrückzahlungsbetrag/-beträge (Call)</i>	[ ]
---	-----

Minimum Notice to Holders <i>Mindestkündigungsfrist</i>	[ ]
--	-----



Maximum Notice to Holders <i>Höchstkündigungsfrist</i>	[ ]
<b>Early Redemption at the Option of a Holder</b> <b><i>Vorzeitige Rückzahlung nach Wahl des Gläubigers</i></b>	No <i>Nein</i>
Put Redemption Date(s) <i>Wahlrückzahlungstag(e) (Put)</i>	[ ]
Put Redemption Amount(s) <i>Wahlrückzahlungsbetrag/-beträge (Put)</i>	[ ]
Minimum Notice to Issuer <i>Mindestkündigungsfrist</i>	[ ] days [ ]Tage
Maximum Notice to Issuer (never more than 60 days) <i>Höchstkündigungsfrist (nie mehr als 60 Tage)</i>	[ ] days [ ]Tage
<b>Early Redemption Amount</b> <b><i>Vorzeitiger Rückzahlungsbetrag</i></b>	
Zero Coupon Notes: <i>Nullkupon-Schuldverschreibungen:</i>	
Reference Price <i>Referenzpreis</i>	[ ]
<b>Redemption of Notes other than Zero Coupon, Fixed Rate, Floating Rate and Instalment Notes</b> <b><i>Rückzahlung von Schuldverschreibungen, die weder Nullkupon-, festverzinsliche, variabel verzinsliche noch Raten-Schuldverschreibungen sind</i></b>	
<input type="checkbox"/> <b>Dual Currency Notes</b> <b><i>Doppelwährungs-Schuldverschreibungen</i></b> (set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine principal/fall-back provisions)) <i>(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))</i>	[ ]
<input type="checkbox"/> <b>Index-linked Notes</b> <b><i>Indexierte Schuldverschreibungen</i></b> (set forth details in full here) <i>(Einzelheiten einfügen)</i>	[ ]
<input type="checkbox"/> <b>Credit-linked Notes</b> <b><i>Credit-linked Schuldverschreibungen</i></b> (set forth details in full here) <i>(Einzelheiten einfügen)</i>	[ ]
<input type="checkbox"/> <b>other structured Notes</b> <b><i>andere strukturierte Schuldverschreibungen</i></b> (set forth details in full here) <i>(Einzelheiten einfügen)</i>	[ ]

**FISCAL AGENT[,,] [AND] PAYING AGENT[S]] [AND CALCULATION AGENT] (§ 6)**  
**EMISSIONSSTELLE[,,] [UND] ZAHLSTELLE[N]] [UND BERECHNUNGSSTELLE] (§ 6)**

Paying Agents  
*Zahlstellen*

Fiscal Agent  
*Emissionsstelle*

Hypothesenbank in Essen  
Aktiengesellschaft  
*Hypothesenbank in Essen  
Aktiengesellschaft*

Additional Paying Agent(s)/specified office(s)  
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*

[ ]

Calculation Agent  
*Berechnungsstelle*

Yes  
*Ja*

No  
*Nein*

Required location (specify)  
*Vorgeschriebenen Ort (angeben)*

**NOTICES (§ [12])**  
**MITTEILUNGEN (§ [12])**

**Place and medium of publication**  
***Ort und Medium der Bekanntmachung***

Publication in printed form  
*Bekanntmachung in gedruckter Form*

London (Financial Times)  
*London (Financial Times)*

Luxembourg (d'Wort)  
*Luxemburg (d' Wort)*

Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*

Other (specify)  
*sonstige (angeben)*

[ ]

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

Stock Exchange  
*Börse*

[ ]

Internet Address  
*Internetadresse*

[ ]

**Governing Law**  
***Anwendbares Recht***

**German Law**  
***Deutsches Recht***

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

Interest of natural and legal persons involved  
in the issue/offer none

*Interessen von Seiten natürlicher und juristischer  
Personen, die an der Emission/dem Angebot beteiligt sind* keine

- Save as discussed in the Prospectus under "Interest of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

*Mit Ausnahme der im Prospekt im Abschnitt "Interest of Natural and Legal Persons involved in the Issue/Offer" angesprochenen Interessen bestehen bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin keine Interessen, die für das Angebot bedeutsam sind.*

- Other interest (specify)  
*Andere Interessen (angeben)*

**Reasons for the offer**  
**Gründe für das Angebot**

Refinanzierung  
*refinance*

Estimated net proceeds  
*Geschätzter Nettobetrag der Erträge*

EUR 250,000,000  
*EUR 250.000.000*

Estimated total expenses of the issue  
*Geschätzte Gesamtkosten der Emission*

EUR 1,100  
*EUR 1.100*

**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]  
*[Ja/Nein]*

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

- Common Code  
*Common Code*

025513673  
*025513673*

- ISIN Code  
*ISIN Code*

DE000HBE0HN2  
*DE000HBE0HN2*

- German Securities Code  
*Wertpapier-Kenn-Nummer (WKN)*

HBE0HN  
*HBE0HN*

- Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

**Yield**  
**Rendite**

Yield  
*Rendite*

3.75 per cent.  
*3,75%*

Method of calculating the yield  
*Berechnungsmethode der Rendite*

ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

Other methods (specify)  
*Andere Methoden (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

*Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]*

Details relating to the Performance of the [Index][Formula][other variable].  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)]

*[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können)]*

Name of index []  
*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained []  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate []  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket) []  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**  
***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

[insert details here]  
[Einzelheiten hier einfügen]

**Market disruption or settlement disruption events that may affect the underlying**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

[insert details here]  
[Einzelheiten hier einfügen]

**Adjustment rules with relation to events concerning the underlying**  
***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

[insert details here]  
[Einzelheiten hier einfügen]

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**  
***Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage***

[specify details here]  
[Einzelheiten hier angeben]

**Selling Restrictions**  
***Verkaufsbeschränkungen***

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*
- TEFRA C  
*TEFRA C*
- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify) [ ]  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
***Besteuerung***

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought. none  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.* keine

**Restrictions on the free transferability of the Notes** none  
***Beschränkungen der freien Übertragbarkeit der Wertpapiere*** keine

**TERMS AND CONDITIONS OF THE OFFER  
BEDINGUNGEN UND KONDITIONEN DES ANGBOTS**

**Conditions, offer statistics, plan of distribution and allotment, pricing  
Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung**

Conditions to which the offer is subject  
*Bedingungen, denen das Angebot unterliegt*

Time period, including any possible amendments, during which the offer will be open  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Description of the application process  
*Beschreibung des Prozesses für die Umsetzung des Angebots*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants  
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)  
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Method and time limits for paying up the notes and for delivery of the notes  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung*

Manner and date in which results of the offer are to be made public  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.  
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*

Not applicable  
*Nicht anwendbar*

- Specify Details [ ]  
*Einzelheiten einfügen*

Various categories of potential investors to which the notes are offered  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden*

- Not applicable  
*Nicht anwendbar*

- Specify Details [ ]  
*Einzelheiten einfügen*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made

*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

- Not applicable  
*Nicht anwendbar*

- Specify Details [ ]  
*Einzelheiten einfügen*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.  
*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

- Not applicable  
*Nicht anwendbar*

- Specify Details [ ]  
*Einzelheiten einfügen*

**Placing and Underwriting**  
***Platzierung und Übernahme***

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.]*

**Method of distribution**  
***Vertriebsmethode***

- Non-syndicated  
*Nicht syndiziert*

- Syndicated  
*Syndiziert*

**Subscription Agreement**  
***Übernahmevertrag***

Date of Subscription Agreement  
*Datum des Subscription Agreements*

General Features of the Subscription Agreement  
*Hauptmerkmale des Übernahmevertrags*

[ ]

**Management Details including form of commitment**  
***Einzelheiten bezüglich des Bankenkonsortiums***  
***einschließlich der Art der Übernahme***

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortiumr (Name und Adresse angeben)*

Barclays Bank PLC  
*Barclays Bank PLC*

- firm commitment  
*feste Zusage*
- no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**  
***Provisionen***

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)  
*Verkaufsprovision (angeben)*

Listing Commission  
*Börsenzulassungprovision*

Other (specify)  
*Andere (angeben)*

**Stabilising Dealer/Manager**  
***Kursstabilisierender Dealer/Manager***

None  
*keiner*

**Subscription Agreement**  
***Übernahmevertrag***

[ ]

- Date of subscription agreement  
*Datum des Übernahmevertrags*

[ ]

- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)**  
***Börsenzulassung(en)***

Yes  
*Ja*

- Luxembourg  
*Luxemburg*
- Regulated Market "Bourse de Luxembourg"
- Euro MTF
- Düsseldorf
- Other (insert details)  
*sonstige (Einzelheiten einfügen)*



**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 equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe sämtlicher geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg (Bourse de Luxembourg)  
*Luxemburg (Bourse de Luxembourg)*
- Düsseldorf
- Other (insert details) []  
*Andere (Einzelheiten einfügen)*

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

- Not applicable  
*Nicht anwendbar*

**Rating**  
**Rating**

**Other relevant terms and conditions (specify)** []  
**Andere relevante Bestimmungen (einfügen)**

**Listing:**  
**Börsenzulassung:**

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 30,000,000,000 Essenhyp Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (as from 19 May 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Pfandbriefen unter dem € 30.000.000.000 Essenhyp Debt Issuance Programme der Hypothekenbank in Essen Aktiengesellschaft (ab dem 19. Mai 2006) erforderlich sind.*

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt „Responsibility Statement“ auf Seite 3 des Prospekts bestimmt.*



18 May 2006  
18. Mai 2006

Final Terms  
*Endgültige Bedingungen*

Euro 250,000,000 3.50 per cent. Fixed Rate Mortgage Pfandbriefe due 19 May 2008  
issued pursuant to the

*Euro 250.000.000 3,50 % festverzinsliche Hypothekendarfandbriefe fällig am 19. Mai 2008  
begeben aufgrund des*

**Euro 30,000,000,000  
Essen Hyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
*der*

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: 99.828 per cent.  
*Ausgabepreis: 99,828%*

Issue Date: 19 May 2006  
*Valutierungstag: 19. Mai 2006*

Series No: HBE0HM  
*Serien Nr.: HBE0HM*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the Euro 30,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "Prospectus") and these Final Terms. The Prospectus and any supplement thereto is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das „Programm“). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der „Prospekt“) zusammengenommen werden. Der Prospekt sowie jeder Nachtrag können auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

**I. TERMS AND CONDITIONS**  
**I. EMISSIONSBEDINGUNGEN**

This Part I of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil I der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die „Emissionsbedingungen“) zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die „Bedingungen“) gestrichen.*

**PART I.A. Notes other than Participation Certificates**  
**TEIL I.A. Schuldverschreibungen, die keine Genußscheine sind**

**Issuer**  
**Emittentin**

**Hypothesenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency  
*Festgelegte Währung*

Euro ("EUR")  
*Euro („EUR“)*

Aggregate Principal Amount  
*Gesamtnennbetrag*

EUR 250,000,000  
*EUR 250.000.000*

Specified Denomination(s)  
*Festgelegte Stückelung/Stückelungen*

EUR 1,000  
*EUR 1.000*

Number of Notes to be issued in each Specified Denomination  
*Anzahl der in jeder festgelegten Stückelung auszugebenden  
Schuldverschreibungen*

EUR 250,000  
*EUR 250.000*

Minimum Transfer Amount (specify)  
*Mindestnennbetrag für Übertragungen (angeben)*

EUR 1,000  
*EUR 1.000*

**Form**  
**Form**

**Notes**  
**Schuldverschreibungen**

**Pfandbriefe**

Mortgage Pfandbriefe  
*Hypothekendarlehen*

Public-Sector Pfandbriefe  
*Öffentliche Pfandbriefe*

**New Global Note**  
*New Global Note*

**[Yes/No]**  
**[Ja/Nein]**

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

- Definitive Notes  
*Einzelurkunden*
- Neither TEFRA D nor TEFRA C**  
***Weder TEFRA D noch TEFRA C***
- Permanent Global Note  
*Dauerglobalurkunde*
- Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
  - Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
***Einzelurkunden***

**No**  
***Nein***

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
***Definitionen***

Clearing System  
*Clearing System*

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S.A./N.V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- The Depository Trust Company  
55 Water Street  
New York, NY 10041-0099  
USA
- Other – (specify)  
*sonstige (angeben)*

**STATUS (§ 2)**  
***STATUS (§ 2)***

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
**ZINSEN (§ 3)**

**Fixed Rate Notes**  
**Festverzinsliche Schuldverschreibungen**  
**Rate of Interest and Interest Payment Dates**  
**Zinssatz und Zinszahlungstage**

Interest Commencement Date 19 May 2006  
*Verzinsungsbeginn* 19. Mai 2006

Rate of Interest 3.50 per cent. per annum  
*Zinssatz* 3,50% per annum

Fixed Interest Payment Date(s) 19 May in each year  
*Feste(r) Zinszahlungstag(e)* 19. Mai in jedem Jahr

First Interest Payment Date 19 May 2007  
*Erster Zinszahlungstag* 19. Mai 2007

Initial Broken Amount(s) (per specified denomination)  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

Fixed Interest Date preceding the Maturity Date  
*Festzinstermin, der dem Fälligkeitstag vorangeht*

Final Broken Amount(s) (per specified denomination)  
*Abschließende(r) Bruchteilzinsbetrag(-beträge) (für jede festgelegte Stückelung)*

**Floating Rate Notes**  
**Variabel verzinsliche Schuldverschreibungen**  
**Interest Payment Dates**  
**Zinszahlungstage**

Interest Commencement Date  
*Verzinsungsbeginn*

Specified Interest Payment Dates  
*Festgelegte Zinszahlungstage*

Specified Interest Period(s)  
*Festgelegte Zinsperiode(n)*  
**Business Day Convention**  
**Geschäftstagskonvention**

Modified Following Business Day Convention  
*Modifizierte folgender Geschäftstag-Konvention*

FRN Convention (specify period(s))  
*FRN Konvention (Zeitraum angeben)*

Following Business Day Convention  
*Folgender Geschäftstag-Konvention*

- Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**  
**Relevante Finanzzentren**

TARGET  
TARGET

**Rate of Interest**  
**Zinssatz**

- Screen Rate Determination  
*Bildschirmfeststellung*
  - EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/Interbanken-Markt in der Euro-Zone)*  
  
Screen page  
*Bildschirmseite*
  - LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/Londoner Interbanken-Markt)*  
  
Screen page  
*Bildschirmseite*
  - Other (specify)  
*Sonstige (angeben)*  
  
Screen page  
*Bildschirmseite*
  - Formula  
*Formel*  
(set forth details in full here or in an attachment)  
(*Einzelheiten hier oder in einer Anlage einfügen*)  
  
Reference Banks (if other than as specified in § 3(2))  
(specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*
- ISDA Determination  
*ISDA-Feststellung*
- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

**Margin**  
**Marge**

- plus  
*plus*



- minus  
*minus*

**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz* [ ] per cent. per annum  
[ ] % per annum
- Maximum Rate of Interest  
*Höchstzinssatz* [ ] per cent. per annum  
[ ] % per annum
- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield [ ]  
*Emissionsrendite*

- Dual Currency Notes** [ ]  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen, eine Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen sowie Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*

- Instalment Notes** [ ]  
**Raten-Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

- Index-linked Notes** []  
**Indexierte Schuldverschreibungen**  
(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))  
(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlage für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))
- Credit-linked Notes** []  
**Credit-linked Notes**  
(set forth details in full here (including basis for calculating interest and fall back provisions))  
(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))
- other structured Notes** []  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360, adjusted
- 30/360 or 360/360 (Bond Basis)
- Other  
Anderer

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
Relevante(s) Finanzzentren(um) (alle angeben)

TARGET  
TARGET

**REDEMPTION (§ 5)**  
**RÜCKZAHLUNG (§ 5)**

**Final Redemption**  
**Rückzahlung bei Endfälligkeit**

- |                                     |  |                             |
|-------------------------------------|--|-----------------------------|
| <input checked="" type="checkbox"/> | <b>Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes</b><br><i>Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen</i> |                             |
| <input checked="" type="checkbox"/> | Maturity Date<br><i>Fälligkeitstag</i>   | 19 May 2008<br>19. Mai 2008 |
| <input checked="" type="checkbox"/> | Redemption Month<br><i>Rückzahlungsmonat</i>   | May 2008<br>Mai 2008        |
| <input checked="" type="checkbox"/> | Final Redemption Amount<br><i>Rückzahlungsbetrag</i>   | Par<br>Par                  |
| <input checked="" type="checkbox"/> | Principal amount<br><i>Nennbetrag</i>  |                             |
| <input type="checkbox"/>            | Final Redemption Amount (per specified denomination)<br><i>Rückzahlungsbetrag (für jede festgelegte Stückelung)</i>  |                             |
| <input type="checkbox"/>            | <b>Instalment Notes</b><br><b><i>Raten-Schuldverschreibungen</i></b><br>Instalment Date(s)<br><i>Ratenzahlungstermin (e)</i><br><br>Instalment Amount(s)<br><i>Rate(n)</i>   |                             |

**Early Redemption**  
**Vorzeitige Rückzahlung**

<b>Optional Redemption for Taxation Reasons</b> <b><i>Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen</i></b>	No Nein
--	------------

<b>Early Redemption at the Option of the Issuer</b> <b><i>Vorzeitige Rückzahlung nach Wahl der Emittentin</i></b>	No Nein
--	------------

Minimum Redemption Amount <i>Mindestrückzahlungsbetrag</i>	[ ]
---	-----

Higher Redemption Amount <i>Höherer Rückzahlungsbetrag</i>	[ ]
---	-----

Call Redemption Date(s) <i>Wahrückzahlungstag(e) (Call)</i>	[ ]
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Call Redemption Amount(s) <i>Wahrückzahlungsbetrag/-beträge (Call)</i>	[ ]
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Minimum Notice to Holders <i>Mindestkündigungsfrist</i>	[ ]
--	-----

Maximum Notice to Holders <i>Höchstkündigungsfrist</i>	[ ]
<b>Early Redemption at the Option of a Holder</b> <b><i>Vorzeitige Rückzahlung nach Wahl des Gläubigers</i></b>	No <i>Nein</i>
Put Redemption Date(s) <i>Wahlrückzahlungstag(e) (Put)</i>	[ ]
Put Redemption Amount(s) <i>Wahlrückzahlungsbetrag/-beträge (Put)</i>	[ ]
Minimum Notice to Issuer <i>Mindestkündigungsfrist</i>	[ ] days [ ]Tage
Maximum Notice to Issuer (never more than 60 days) <i>Höchstkündigungsfrist (nie mehr als 60 Tage)</i>	[ ] days [ ]Tage
<b>Early Redemption Amount</b> <b><i>Vorzeitiger Rückzahlungsbetrag</i></b>	
Zero Coupon Notes: <i>Nullkupon-Schuldverschreibungen:</i>	
Reference Price <i>Referenzpreis</i>	[ ]
<b>Redemption of Notes other than Zero Coupon, Fixed Rate, Floating Rate and Instalment Notes</b> <b><i>Rückzahlung von Schuldverschreibungen, die weder Nullkupon-, festverzinsliche, variabel verzinsliche noch Raten-Schuldverschreibungen sind</i></b>	
<input type="checkbox"/> <b>Dual Currency Notes</b> <b><i>Doppelwährungs-Schuldverschreibungen</i></b> (set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine principal/fall-back provisions)) <i>(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))</i>	[ ]
<input type="checkbox"/> <b>Index-linked Notes</b> <b><i>Indexierte Schuldverschreibungen</i></b> (set forth details in full here) <i>(Einzelheiten einfügen)</i>	[ ]
<input type="checkbox"/> <b>Credit-linked Notes</b> <b><i>Credit-linked Schuldverschreibungen</i></b> (set forth details in full here) <i>(Einzelheiten einfügen)</i>	[ ]
<input type="checkbox"/> <b>other structured Notes</b> <b><i>andere strukturierte Schuldverschreibungen</i></b> (set forth details in full here) <i>(Einzelheiten einfügen)</i>	[ ]

**FISCAL AGENT[.] [AND] PAYING AGENT[S]] [AND CALCULATION AGENT] (§ 6)  
EMISSIONSSTELLE[.] [UND] ZAHLSTELLE[N]] [UND BERECHNUNGSSTELLE] (§ 6)**

Paying Agents  
Zahlstellen

Fiscal Agent  
Emissionsstelle

Hypothesenbank in Essen  
Aktiengesellschaft  
Hypothesenbank in Essen  
Aktiengesellschaft

Additional Paying Agent(s)/specified office(s)  
Zahlstelle(n)/bezeichnete Geschäftsstelle(n)

[ ]

Calculation Agent  
Berechnungsstelle

Yes  
Ja

No  
Nein

Required location (specify)  
Vorgeschriebenen Ort (angeben)

**NOTICES (§ [12])  
MITTEILUNGEN (§ [12])**

**Place and medium of publication  
Ort und Medium der Bekanntmachung**

Publication in printed form  
Bekanntmachung in gedruckter Form

London (Financial Times)  
London (Financial Times)

Luxembourg (d'Wort)  
Luxemburg (d' Wort)

Germany (Börsen-Zeitung)  
Deutschland (Börsen-Zeitung)

Other (specify)  
sonstige (angeben)

[ ]

Publication on the website of the stock exchange  
Bekanntmachung auf der Website der Börse

Stock Exchange  
Börse

[ ]

Internet Address  
Internetadresse

[ ]

**Governing Law  
Anwendbares Recht**

**German Law  
Deutsches Recht**

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

Interest of natural and legal persons involved  
in the issue/offer none

*Interessen von Seiten natürlicher und juristischer  
Personen, die an der Emission/dem Angebot beteiligt sind* keine

Save as discussed in the Prospectus under "Interest of Natural  
and Legal Persons involved in the Issue/Offer", so far as the Issuer  
is aware, no person involved in the offer of the Notes has an  
interest material to the offer.

*Mit Ausnahme der im Prospekt im Abschnitt "Interest of Natural  
and Legal Persons involved in the Issue/Offer" angesprochenen  
Interessen bestehen bei den an der Emission beteiligten Personen  
nach Kenntnis der Emittentin keine Interessen, die für das Angebot  
bedeutsam sind.*

Other interest (specify)  
Andere Interessen (angeben)

Reasons for the offer Refinanzierung  
**Gründe für das Angebot** *refinance*

Estimated net proceeds EUR 250,000,000  
*Geschätzter Nettobetrag der Erträge* EUR 250.000.000

Estimated total expenses of the issue EUR 1,100  
*Geschätzte Gesamtkosten der Emission* EUR 1.100

**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]  
[Ja/Nein]

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

Common Code 025513584  
*Common Code* 025513584

ISIN Code DE000HBE0HM4  
*ISIN Code* DE000HBE0HM4

German Securities Code HBE0HM  
*Wertpapier-Kenn-Nummer (WKN)* HBE0HM

Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

**Yield**  
**Rendite**

Yield 3.50 per cent.  
*Rendite* 3,50%

Method of calculating the yield  
*Berechnungsmethode der Rendite*

ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

Other methods (specify)  
*Andere Methoden (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

*Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]*

Details relating to the Performance of the [Index][Formula][other variable].  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)]

*[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können)]*

Name of index []  
*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained []  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate []  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket) []  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**  
***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

[insert details here]  
[Einzelheiten hier einfügen]

**Market disruption or settlement disruption events that may affect the underlying**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

[insert details here]  
[Einzelheiten hier einfügen]

**Adjustment rules with relation to events concerning the underlying**  
***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

[insert details here]  
[Einzelheiten hier einfügen]

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**  
***Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage***

[specify details here]  
[Einzelheiten hier angeben]

**Selling Restrictions**  
***Verkaufsbeschränkungen***

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*
- TEFRA C  
*TEFRA C*
- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify) []  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
***Besteuerung***

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought. none  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.* keine

**Restrictions on the free transferability of the Notes** none  
***Beschränkungen der freien Übertragbarkeit der Wertpapiere*** keine



**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

**Conditions, offer statistics, plan of distribution and allotment, pricing**  
**Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung**

Conditions to which the offer is subject  
*Bedingungen, denen das Angebot unterliegt*

Time period, including any possible amendments, during which the offer will be open  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Description of the application process  
*Beschreibung des Prozesses für die Umsetzung des Angebots*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants  
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)  
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Method and time limits for paying up the notes and for delivery of the notes  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung*

Manner and date in which results of the offer are to be made public  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.  
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Various categories of potential investors to which the notes are offered  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made

*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.

*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

#### **Placing and Underwriting *Platzierung und Übernahme***

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.]*

#### **Method of distribution *Vertriebsmethode***

Non-syndicated  
*Nicht syndiziert*

Syndicated  
*Syndiziert*

#### **Subscription Agreement *Übernahmevertrag***

Date of Subscription Agreement  
*Datum des Subscription Agreements*

General Features of the Subscription Agreement  
*Hauptmerkmale des Übernahmevertrags*

[ ]

**Management Details including form of commitment**  
***Einzelheiten bezüglich des Bankenkonsortiums***  
***einschließlich der Art der Übernahme***

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortiumr (Name und Adresse angeben)*

Barclays Bank PLC  
*Barclays Bank PLC*

- firm commitment  
*feste Zusage*
- no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**  
***Provisionen***

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)  
*Verkaufsprovision (angeben)*

Listing Commission  
*Börsenzulassungprovision*

Other (specify)  
*Andere (angeben)*

**Stabilising Dealer/Manager**  
***Kursstabilisierender Dealer/Manager***

None  
*keiner*

**Subscription Agreement**  
***Übernahmevertrag***

[ ]

- Date of subscription agreement  
*Datum des Übernahmevertrags*

[ ]

- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)**  
***Börsenzulassung(en)***

Yes  
*Ja*

- Luxembourg  
*Luxemburg*
- Regulated Market "Bourse de Luxembourg"
- Euro MTF
- Düsseldorf
- Other (insert details)  
*sonstige (Einzelheiten einfügen)*

**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 equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe sämtlicher geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

Luxembourg (Bourse de Luxembourg)  
*Luxemburg (Bourse de Luxembourg)*

Düsseldorf

Other (insert details)  
*Andere (Einzelheiten einfügen)*

[ ]

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

Not applicable  
*Nicht anwendbar*

**Rating**  
**Rating**

**Other relevant terms and conditions (specify)**  
**Andere relevante Bestimmungen (einfügen)**

[ ]

**Listing:**  
**Börsenzulassung:**

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 30,000,000,000 Essenhyp Debt Issuance Programme of Hypothekbank in Essen Aktiengesellschaft (as from 19 May 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Pfandbriefen unter dem € 30.000.000.000 Essenhyp Debt Issuance Programme der Hypothekbank in Essen Aktiengesellschaft (ab dem 19. Mai 2006) erforderlich sind.*

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt „Responsibility Statement“ auf Seite 3 des Prospekts bestimmt.*



17 May 2006  
17. Mai 2006

Final Terms  
*Endgültige Bedingungen*

Euro 200,000,000 Floating Rate Public-Sector Pfandbriefe due 18 May 2012  
issued pursuant to the

*Euro 200.000.000 variable verzinsliche Öffentliche Pfandbriefe fällig am 18. Mai 2012  
begeben aufgrund des*

**Euro 30,000,000,000  
Essen Hyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
*der*

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: 100.00 per cent.  
*Ausgabepreis: 100,00%*

Issue Date: 18 May 2006  
*Valutierungstag: 18. Mai 2006*

Series No: HBE0HH  
*Serien Nr.: HBE0HH*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the Euro 30,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "Prospectus") and these Final Terms. The Prospectus is available for viewing in electronic form at the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and at the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das „Programm“). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der „Prospekt“) zusammengenommen werden. Der Prospekt kann auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

**I. TERMS AND CONDITIONS**  
**I. EMISSIONSBEDINGUNGEN**

This Part I of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil I der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die „Emissionsbedingungen“) zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die „Bedingungen“) gestrichen.*

**PART I.A. Notes other than Participation Certificates**  
**TEIL I.A. Schuldverschreibungen, die keine Genußscheine sind**

**Issuer**  
**Emittentin**

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency  
*Festgelegte Währung* Euro ("EUR")  
Euro („EUR“)

Aggregate Principal Amount  
*Gesamtnennbetrag* EUR 200,000,000  
EUR 200.000.000

Specified Denomination(s)  
*Festgelegte Stückelung/Stückelungen* EUR 50,000  
EUR 50.000

Number of Notes to be issued in each Specified Denomination  
*Anzahl der in jeder festgelegten Stückelung auszugebenden* EUR 4,000  
*Schuldverschreibungen* EUR 4.000

Minimum Transfer Amount (specify)  
*Mindestnennbetrag für Übertragungen (angeben)* EUR 50,000  
EUR 50.000

**Form**  
**Form**

**Notes**  
**Schuldverschreibungen**

**Pfandbriefe**

Mortgage Pfandbriefe  
*Hypothekenpfandbriefe*

Public-Sector Pfandbriefe  
*Öffentliche Pfandbriefe*

**New Global Note**  
*New Global Note*

[Yes/No]  
[Ja/Nein]

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vortläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vortläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*



- Definitive Notes  
*Einzelurkunden*
- Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**
- Permanent Global Note  
*Dauerglobalurkunde*
- Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
  - Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
***Einzelurkunden***

**No**  
**Nein**

- Coupons  
*Zinnscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
***Definitionen***

Clearing System  
*Clearing System*

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S.A./N.V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- The Depository Trust Company  
55 Water Street  
New York, NY 10041-0099  
USA
- Other – (specify)  
*sonstige (angeben)*

**STATUS (§ 2)**  
***STATUS (§ 2)***

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
**ZINSEN (§ 3)**

**Fixed Rate Notes**  
**Festverzinsliche Schuldverschreibungen**  
**Rate of Interest and Interest Payment Dates**  
**Zinssatz und Zinszahlungstage**

Interest Commencement Date [ ]  
*Verzinsungsbeginn*

Rate of Interest [ ] per cent. per annum  
*Zinssatz* [ ]% per annum

Fixed Interest Payment Date(s) [ ] in each year  
*Feste(r) Zinszahlungstag(e)* [ ] in jedem Jahr

First Interest Payment Date [ ]  
*Erster Zinszahlungstag*

Initial Broken Amount(s) (per specified denomination) [ ]  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)*  
*(für jede festgelegte Stückelung)*

Fixed Interest Date preceding the Maturity Date [ ]  
*Festzinstermine, der dem Fälligkeitstag vorangeht*

Final Broken Amount(s) (per specified denomination) [ ]  
*Abschließende(r) Bruchteilzinsbetrag(-beträge) (für jede festgelegte Stückelung)*

**Floating Rate Notes**  
**Variabel verzinsliche Schuldverschreibungen**  
**Interest Payment Dates**  
**Zinszahlungstage**

Interest Commencement Date 18 May 2006  
*Verzinsungsbeginn* 18. Mai 2006

Specified Interest Payment Dates 18 February, 18 May, 18 August and 18 November in each year, commencing from and including 18 August 2006 to and including the Maturity Date.

*Festgelegte Zinszahlungstage* 18. Februar, 18. Mai, 18. August und 18. November eines jeden Jahres; beginnend am 18. August 2006 (einschließlich) bis zum Fälligkeitstag (einschließlich).

Specified Interest Period(s) 3 months  
*Festgelegte Zinsperiode(n)* 3 Monate

**Business Day Convention**  
**Geschäftstagskonvention**

**Modified Following Business Day Convention**  
*Modifizierte folgender Geschäftstag-Konvention*

- FRN Convention (specify period(s)  
*FRN Konvention (Zeitraum angeben)*
- Following Business Day Convention  
*Folgender Geschäftstag-Konvention*
- Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**  
**Relevante Finanzzentren**

TARGET  
TARGET

**Rate of Interest**  
**Zinssatz**

- Screen Rate Determination  
*Bildschirmfeststellung*
  - EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/Interbanken-Markt in der Euro-Zone)*

Screen page  
*Bildschirmseite*
  - LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/Londoner Interbanken-Markt)*

Screen page  
*Bildschirmseite*
  - Other (specify)  
*Sonstige (angeben)*

Screen page  
*Bildschirmseite*
  - Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*

Reference Banks (if other than as specified in § 3(2))  
(specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*
- ISDA Determination  
*ISDA-Feststellung*
- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

Telerate page 248  
Telerate Seite 248

**Margin  
Marge**

0.02 per cent. per annum  
0,02 % per annum

- plus  
plus
- minus  
minus

**Interest Determination Date  
Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest  
Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz* [ ] per cent. per annum  
[ ] % per annum
- Maximum Rate of Interest  
*Höchstzinssatz* [ ] per cent. per annum  
[ ] % per annum
- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest  
Auflaufende Zinsen**

Amortisation Yield [ ]  
*Emissionsrendite*

- Dual Currency Notes** [ ]  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen, eine Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen sowie Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*
- Instalment Notes** [ ]  
**Raten-Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

- Index-linked Notes** []  
**Indexierte Schuldverschreibungen**  
(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlage für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*
- Credit-linked Notes** []  
**Credit-linked Notes**  
(set forth details in full here (including basis for calculating interest and fall back provisions))  
*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*
- other structured Notes** []  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360, adjusted
- 30/360 or 360/360 (Bond Basis)
- Other  
*Anderer*

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

TARGET  
TARGET

**REDEMPTION (§ 5)**  
**RÜCKZAHLUNG (§ 5)**

**Final Redemption**  
**Rückzahlung bei Endfälligkeit**

- Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**  
*Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen*
  
- Maturity Date**  
*Fälligkeitstag* 18 May 2012  
18. Mai 2012
  
- Redemption Month**  
*Rückzahlungsmonat* May 2012  
Mai 2012
  
- Final Redemption Amount**  
*Rückzahlungsbetrag* Par  
Par
  
- Principal amount**  
*Nennbetrag*
  
- Final Redemption Amount (per specified denomination)**  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*
  
- Instalment Notes**  
*Raten-Schuldverschreibungen*  
Instalment Date(s)  
*Ratenzahlungstermin (e)*  
  
Instalment Amount(s)  
*Rate(n)*

**Early Redemption**  
**Vorzeitige Rückzahlung**

**Optional Redemption for Taxation Reasons** No  
*Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen* Nein

**Early Redemption at the Option of the Issuer** No  
*Vorzeitige Rückzahlung nach Wahl der Emittentin* Nein

Minimum Redemption Amount []  
*Mindestrückzahlungsbetrag*

Higher Redemption Amount []  
*Höherer Rückzahlungsbetrag*

Call Redemption Date(s) []  
*Wahlrückzahlungstag(e) (Call)*

Call Redemption Amount(s) []  
*Wahlrückzahlungsbetrag/-beträge (Call)*

Minimum Notice to Holders []  
*Mindestkündigungsfrist*

Maximum Notice to Holders  
*Höchstkündigungsfrist*

**Early Redemption at the Option of a Holder**  
***Vorzeitige Rückzahlung nach Wahl des Gläubigers***    
No  
Nein

Put Redemption Date(s)  
*Wahlrückzahlungstag(e) (Put)*

Put Redemption Amount(s)  
*Wahlrückzahlungsbetrag/-beträge (Put)*

Minimum Notice to Issuer  days  
*Mindestkündigungsfrist* Tage

Maximum Notice to Issuer (never more than 60 days)  
*Höchstkündigungsfrist (nie mehr als 60 Tage)*  days  
Tage

**Early Redemption Amount**  
***Vorzeitiger Rückzahlungsbetrag***

Zero Coupon Notes:  
*Nullkupon-Schuldverschreibungen:*

Reference Price    
*Referenzpreis*

**Redemption of Notes other than Zero Coupon, Fixed Rate,  
Floating Rate and Instalment Notes**  
***Rückzahlung von Schuldverschreibungen, die weder  
Nullkupon-, festverzinsliche, variabel verzinsliche noch  
Raten-Schuldverschreibungen sind***

**Dual Currency Notes**    
***Doppelwährungs-Schuldverschreibungen***  
(set forth details in full here (including exchange rate(s)  
or basis for calculating exchange rate(s) to determine  
principal/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e)  
oder Grundlage für die Berechnung des/der  
Wechselkurs(e) zur Bestimmung von  
Kapitalbeträgen/Ausweichbestimmungen))*

**Index-linked Notes**    
***Indexierte Schuldverschreibungen***  
(set forth details in full here)  
*(Einzelheiten einfügen)*

**Credit-linked Notes**    
***Credit-linked Schuldverschreibungen***  
(set forth details in full here)  
*(Einzelheiten einfügen)*

**other structured Notes**    
***andere strukturierte Schuldverschreibungen***  
(set forth details in full here)  
*(Einzelheiten einfügen)*

**FISCAL AGENT[,,] [AND] PAYING AGENT[S]] [AND CALCULATION AGENT] (§ 6)  
EMISSIONSSTELLE[,,] [UND] ZAHLSTELLE[N]] [UND BERECHNUNGSSTELLE] (§ 6)**

Paying Agents  
Zahlstellen

- Fiscal Agent  
Emissionsstelle
- Additional Paying Agent(s)/specified office(s) []  
Zahlstelle(n)/bezeichnete Geschäftsstelle(n)
- Calculation Agent  
Berechnungsstelle
  - Yes Hypothekenbank in Essen  
Aktiengesellschaft  
Hypothekenbank in Essen  
Aktiengesellschaft  
Ja
  - No  
Nein
  - Required location (specify)  
Vorgeschriebenen Ort (angeben)

**NOTICES (§ [12])  
MITTEILUNGEN (§ [12])**

**Place and medium of publication  
Ort und Medium der Bekanntmachung**

Publication in printed form  
Bekanntmachung in gedruckter Form

- London (Financial Times)  
London (Financial Times)
- Luxembourg (d'Wort)  
Luxemburg (d' Wort)
- Germany (Börsen-Zeitung)  
Deutschland (Börsen-Zeitung)
- Other (specify) []  
sonstige (angeben)

Publication on the website of the stock exchange  
Bekanntmachung auf der Website der Börse

Stock Exchange []  
Börse

Internet Address []  
Internetadresse

**Governing Law  
Anwendbares Recht**

**German Law  
Deutsches Recht**



**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

Interest of natural and legal persons involved in the issue/offer none

*Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind* keine

Reasons for the offer Refinanzierung  
*Gründe für das Angebot* *refinance*

Estimated net proceeds EUR 200,000,000  
*Geschätzter Nettobetrag der Erträge* *EUR 200.000.000*

Estimated total expenses of the issue EUR 1,000  
*Geschätzte Gesamtkosten der Emission* *EUR 1.000*

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

Common Code 23629259  
*Common Code* *23629259*

ISIN Code DE000HBE0HH4  
*ISIN Code* *DE000HBE0HH4*

German Securities Code HBE0HH  
*Wertpapier-Kenn-Nummer (WKN)* *HBE0HH*

Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

**Yield**  
**Rendite**

Yield  
*Rendite*

Method of calculating the yield  
*Berechnungsmethode der Rendite*

ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

Other methods (specify)  
*Andere Methoden (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

*Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]*

Details relating to the Performance of the [Index][Formula][other variable].  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)]

*[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können)]*

Name of index []  
*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained []  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate []  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket) []  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**  
***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswertes beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

[insert details here]  
*[Einzelheiten hier einfügen]*

**Market disruption or settlement disruption events that may affect the underlying**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

[insert details here]  
*[Einzelheiten hier einfügen]*

**Adjustment rules with relation to events concerning the underlying**  
***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

[insert details here]  
*[Einzelheiten hier einfügen]*

**Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**  
***Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage***

[specify details here]  
*[Einzelheiten hier angeben]*

**Selling Restrictions**  
***Verkaufsbeschränkungen***

The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*

TEFRA C  
*TEFRA C*

TEFRA D

TEFRA D

- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

[]

**Taxation**  
**Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

none

keine

**Restrictions on the free transferability of the Notes**  
**Beschränkungen der freien Übertragbarkeit der Wertpapiere**

none

keine

**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

**Conditions, offer statistics, plan of distribution and allotment, pricing**  
**Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung**

**Method of distribution**  
**Vertriebsmethode**

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

Date of Subscription Agreement  
*Datum des Subscription Agreements*

**Management Details including form of commitment**  
**Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme**

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortiumr (Name und Adresse angeben)*

Barclays Bank PLC  
Barclays Bank PLC

- firm commitment  
*feste Zusage*
- no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**  
**Provisionen**

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)  
*Verkaufsprovision (angeben)*

Other (specify)  
*Andere (angeben)*

**Stabilising Dealer/Manager**  
***Kursstabilisierender Dealer/Manager***

None  
*keiner*

**Subscription Agreement**  
***Übernahmevertrag***

[ ]

- Date of subscription agreement  
*Datum des Übernahmevertrags*

[ ]

- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)**  
***Börsenzulassung(en)***

Yes  
*Ja*

Luxembourg  
*Luxemburg*

Regulated Market "*Bourse de Luxembourg*"

Euro MTF

Düsseldorf

Other (insert details)  
*sonstige (Einzelheiten einfügen)*

**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 equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe sämtlicher geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

Luxembourg (Bourse de Luxembourg)  
*Luxemburg (Bourse de Luxembourg)*

Düsseldorf

Other (insert details)  
*Andere (Einzelheiten einfügen)*

[ ]

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

Not applicable  
*Nicht anwendbar*

**Rating**  
**Rating**

**Other relevant terms and conditions (specify)**  
**Andere relevante Bestimmungen (einfügen)**

[ ]

**Listing:**  
**Börsenzulassung:**

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 30,000,000,000 Essenhyp Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (as from 18 May 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Pfandbriefen unter dem € 30.000.000.000 Essenhyp Debt Issuance Programme der Hypothekenbank in Essen Aktiengesellschaft (ab dem 18. Mai 2006) erforderlich sind.*

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt „Responsibility Statement“ auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, daß diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten ausgelassen 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.*

Hypothekenbank in Essen Aktiengesellschaft

**[Name & title of signatory]**  
**[Name und Titel des Unterzeichnenden]**

The Final Terms will be displayed on the website of Essen Hyp ([www.essenhyp.com](http://www.essenhyp.com)) and in case of Notes listed on the Luxembourg Stock Exchange on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

3 Mai 2006  
3. Mai 2006

Final Terms  
*Endgültige Bedingungen*

EUR 5,000,000 Callable Step-Up Coupon Sector Pfandbriefe  
issued pursuant to the

*EUR 5.000.000 Öffentliche Pfandbriefe mit Stufenzins  
begeben aufgrund des*

**Euro 30,000,000,000  
Essen Hyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
der

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: 100.00 per cent.  
*Ausgabepreis: 100,00 %*

Issue Date: Mai 5, 2006  
*Valutierungstag: 5. Mai 2006*

Series No: HBE0HE  
*Serien Nr.: HBE0HE*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the euro 30,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "Prospectus") and these Final Terms. The Prospectus is available for viewing in electronic form at the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and at the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das „Programm“). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der „Prospekt“) zusammengenommen werden. Der Prospekt kann auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

**I. TERMS AND CONDITIONS**  
**I. EMISSIONSBEDINGUNGEN**

This part I of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes

(the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil I der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die „Emissionsbedingungen“) zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die „Bedingungen“) gestrichen.*

**PART I.A. Notes other than Participation Certificates**  
**TEIL I.A. Schuldverschreibungen, die keine Genußscheine sind**

**Issuer**  
**Emittentin**

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency  
*Festgelegte Währung*

Euro („EUR“)

Aggregate Principal Amount <i>Gesamtnennbetrag</i>	EUR 5.000.000
Specified Denomination(s) <i>Festgelegte Stückelung/Stückelungen</i>	EUR 50.000
Number of Notes to be issued in each Specified Denomination <i>Anzahl der in jeder festgelegten Stückelung auszugebenden Schuldverschreibungen</i>	100
Minimum Transfer Amount (specify) <i>Mindestnennbetrag für Übertragungen</i>	Nicht anwendbar
<b>Form</b> <b>Form</b>	
<input type="checkbox"/> <b>Notes</b> <b>Schuldverschreibungen</b>	
<input checked="" type="checkbox"/> <b>Pfandbriefe</b>	
<input type="checkbox"/> Mortgage Pfandbriefe <i>Hypothekenpfandbriefe</i>	
<input checked="" type="checkbox"/> Public-Sector Pfandbriefe <i>Öffentliche Pfandbriefe</i>	
<input type="checkbox"/> <b>New Global Note</b> <i>Neue Global Note</i>	Nein
<input checked="" type="checkbox"/> <b>TEFRA C</b> <b>TEFRA C</b>	
<input checked="" type="checkbox"/> Permanent Global Note <i>Dauerglobalurkunde</i>	
<input type="checkbox"/> Temporary Global Note exchangeable for: <i>Vorläufige Globalurkunde austauschbar gegen:</i>	
<input type="checkbox"/> Definitive Notes <i>Einzelurkunden</i>	
<input type="checkbox"/> <b>TEFRA D</b> <b>TEFRA D</b>	
Temporary Global Note exchangeable for: <i>Vorläufige Globalurkunde austauschbar gegen:</i>	
<input type="checkbox"/> Permanent Global Note <i>Dauerglobalurkunde</i>	
<input type="checkbox"/> Definitive Notes <i>Einzelurkunden</i>	
<input type="checkbox"/> <b>Neither TEFRA D nor TEFRA C</b> <b>Weder TEFRA D noch TEFRA C</b>	
<input type="checkbox"/> Permanent Global Note <i>Dauerglobalurkunde</i>	
<input type="checkbox"/> Temporary Global Note exchangeable for: <i>Vorläufige Globalurkunde austauschbar gegen:</i>	



- Definitive Notes  
*Einzelkunden*

**Definitive Notes**  
***Einzelkunden***

Nein

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
***Definitionen***

Clearing System

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S.A./N.V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- Other – (specify)  
*sonstige (angeben)*

**STATUS (§ 2)**  
***STATUS (§ 2)***

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
***ZINSEN (§ 3)***

- Fixed Rate Notes**  
***Festverzinsliche Schuldverschreibungen***  
**Rate of Interest and Interest Payment Dates**  
***Zinssatz und Zinszahlungstage***

Interest Commencement Date  
*Verzinsungsbeginn*

5. Mai 2006

Rate of Interest  
*Zinssatz*

1. Für die Zinsperiode vom 5. Mai 2006 (einschliesslich) bis zum 5. Dezember 2006 (aus-schliesslich): 3.5 % p.a.;
2. ab 5. Dezember 2006 (einschliesslich): 4.56 % p.a.

Fixed Interest Payment Date(s) <i>Feste(r) Zinszahlungstag(e)</i>	5. Dezember in jedem Jahr
First Interest Payment Date <i>Erster Zinszahlungstag</i>	5. Dezember 2006
Initial Broken Amount(s) (per specified denomination) <i>Anfängliche(r) Bruchteilzinsbetrag(-beträge)(für jede festgelegte Stückelung)</i>	EUR 1.026,02 für jede festgelegte Stückelung von EUR 50.000
Fixed Interest Date preceding the Maturity Date <i>Festzinsttermin, der dem Fälligkeitstag vorangeht</i>	Nicht anwendbar
Final Broken Amount(s) (per specified denomination) <i>Abschließende(r) Bruchteilzinsbetrag(-beträge) (für jede festgelegte Stückelung)</i>	Nicht anwendbar
<input type="checkbox"/> <b>Floating Rate Notes</b> <b>Variabel verzinsliche Schuldverschreibungen</b>	Nicht anwendbar
<b>Minimum and Maximum Rate of Interest</b> <b>Mindest- und Höchstzinssatz</b>	Nicht anwendbar
<input type="checkbox"/> Minimum Rate of Interest <i>Mindestzinssatz</i>	
<input type="checkbox"/> Maximum Rate of Interest <i>Höchstzinssatz</i>	
<input type="checkbox"/> <b>Zero Coupon Notes</b> <b>Nullkupon-Schuldverschreibungen</b>	Nicht anwendbar
<input type="checkbox"/> <b>Dual Currency Notes</b> <b>Doppelwährungs-Schuldverschreibungen</b> (set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest/fall-back provisions)) <i>(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen/Ausweichbestimmungen))</i>	Nicht anwendbar
<input type="checkbox"/> <b>Instalment Notes</b> <b>Raten-Schuldverschreibungen</b> (set forth details in full here) <i>(Einzelheiten einfügen)</i>	Nicht anwendbar

- |   |                 |
|---|-----------------|
| <input type="checkbox"/> <b>Index-linked Notes</b><br><b>Indexierte Schuldverschreibungen</b><br>(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))<br><i>(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlagen für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))</i> | Nicht anwendbar |
| <input type="checkbox"/> <b>Creditlinked Notes</b><br><b>Creditlinked Notes</b><br>(set forth details in full here (including basis for calculating interest and fall back provisions))<br><i>(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))</i>   | Nicht anwendbar |
| <input type="checkbox"/> <b>other structured Notes</b><br><b>andere strukturierte Schuldverschreibungen</b><br>(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))<br><i>(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))</i>   | Nicht anwendbar |

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)
- Other  
*Anderer*

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
 Relevante(s) Finanzzentren(um) (alle angeben)

TARGET

**REDEMPTION (§ 5)**  
**RÜCKZAHLUNG (§ 5)**

**Final Redemption**  
**Rückzahlung bei Endfälligkeit**

- **Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**  
*Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen*
- Maturity Date  
*Fälligkeitstag*
- Redemption Month  
*Rückzahlungsmonat*
- Final Redemption Amount  
*Rückzahlungsbetrag*
- Principal amount  
*Nennbetrag*
- Final Redemption Amount (per specified denomination)  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*
- **Instalment Notes**  
*Raten-Schuldverschreibungen*  
Instalment Date(s)  
*Ratenzahlungstermin (e)*
- Instalment Amount(s)  
*Rate(n)*

5. Dezember 2014

**Early Redemption**  
*Vorzeitige Rückzahlung*

**Optional Redemption for Taxation Reasons**  
*Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen*

Nein

**Early Redemption at the Option of the Issuer**  
*Vorzeitige Rückzahlung nach Wahl der Emittentin*

Ja

Minimum Redemption Amount  
*Mindestrückzahlungsbetrag*

*Nennbetrag*

Higher Redemption Amount  
*Höherer Rückzahlungsbetrag*

*Nicht anwendbar*

Call Redemption Date(s)  
*Wahlrückzahlungstag(e) (Call)*

5. Dezember 2006

Call Redemption Amount(s)  
*Wahlrückzahlungsbetrag/beträge (Call)*

*Nennbetrag*

Minimum Notice to Holders  
*Mindestkündigungsfrist*

3 TARGET Business Days

Maximum Notice to Holders  
*Höchstkündigungsfrist*

*Nicht anwendbar*

**Early Redemption at the Option of a Holder**  
**Vorzeitige Rückzahlung nach Wahl des Gläubigers**

Nein

**Early Redemption Amount**  
**Vorzeitiger Rückzahlungsbetrag**

**Redemption of Notes other than Zero Coupon, Fixed Rate, Floating Rate and Instalment Notes**  
**Rückzahlung von Schuldverschreibungen, die weder Nullkupon-, festverzinsliche, variabel verzinsliche noch Raten-Schuldverschreibungen sind**

- Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine principal/fall-back provisions))  
(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))
- Index-linked Notes**  
**Indexierte Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)
- Credit-linked Notes**  
**Credit-linked Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)
- other structured Notes**  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)

**FISCAL AGENT, PAYING AGENT AND CALCULATION AGENT (§ 6)**  
**EMISSIONSSTELLE, ZAHLSTELLE UND BERECHNUNGSSTELLE (§ 6)**

**Paying Agents**  
**Zahlstellen**

- Fiscal Agent**  
**Emissionsstelle**
  - Additional Paying Agent(s)/specified office(s)**  
**Zahlstelle(n)/bezeichnete Geschäftsstelle(n)**
  - Calculation Agent**  
**Berechnungsstelle**
- Yes  
Ja
- No  
Nein

*Hypothekenbank in Essen  
Aktiengesellschaft  
Gildehofstrasse 1  
45127 Essen  
Deutschland*

*Hypothekenbank in Essen  
Aktiengesellschaft  
Gildehofstrasse 1  
45127 Essen  
Deutschland*

- Required location (specify)  
*Vorgeschriebenen Ort (angeben)*

**NOTICES (§ 12)**  
**MITTEILUNGEN (§ 12)**

**Place and medium of publication**  
**Ort und Medium der Bekanntmachung**

Publication in printed form  
*Bekanntmachung in gedruckter Form*

- London (Financial Times)  
*London (Financial Times)*
- Luxembourg (d'Wort)  
*Luxemburg (d' Wort)*
- Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*
- Other (specify)  
*sonstige (angeben)*

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

Stock Exchange  
*Börse*

Internet Address  
*Internetadresse*

**Governing Law**  
**Anwendbares Recht**

German Law  
*Deutsches Recht*

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen,**  
**die an der Emission/dem Angebot beteiligt sind**

keine

- Save as discussed in the Prospectus under "Interest of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.
- Other interest (specify)  
*Andere Interessen (angeben)*

**Reasons for the offer**  
**Gründe für das Angebot**

Siehe „Use of Proceeds“ im Prospekt.

Estimated net proceeds  
*Geschätzter Nettobetrag der Erträge*

EUR 5,000,000

Estimated total expenses of the issue  
*Geschätzte Gesamtkosten der Emission*

EUR 1,100

**Eurosystem eligibility**  
**EZB-Fähigkeit**

Intended to be held in a manner which would allow  
Eurosystem eligibility  
*Soll in EZB-fähiger Weise gehalten werden*

nicht anwendbar

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

- Common Code  
*Common Code*
- ISIN Code  
*ISIN Code*
- German Securities Code  
*Wertpapier-Kenn-Nummer (WKN)*
- Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

DE000HBE0HE

HBE0HE

**Yield**  
**Rendite**

Nicht anwendbar

**Selling Restrictions**  
**Verkaufsbeschränkungen**

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*
- TEFRA C  
*TEFRA C*
- TEFRA D

TEFRA D

- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
**Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

*keine*

**Restrictions on the free transferability of the Notes**  
**Beschränkungen der freien Übertragbarkeit der Wertpapiere**

*keine*

**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

**Conditions, offer statistics, plan of distribution and allotment, pricing**  
**Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung**

*Nicht anwendbar*

**Conditions to which the offer is subject**  
**Bedingungen, denen das Angebot unterliegt**

*Nicht anwendbar*

**Placing and Underwriting**  
**Platzierung und Übernahme**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Platzierern in den einzelnen Ländern des Angebots.*

*WestLB AG  
Herzogstrasse 15  
40217 Düsseldorf  
Deutschland*

**Method of distribution**  
**Vertriebsmethode**

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

Subscription Agreement  
*Übernahmevertrag*

*Nicht anwendbar*

**Management Details including form of commitment**  
**Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme**



Dealer / Management Group (specify name and address)  
Plazeur / Bankenkonsortiumr (Name und Adresse angeben)

WestLB AG  
Herzogstrasse 15  
40217 Düsseldorf  
Deutschland

- firm commitment  
feste Zusage
- no firm commitment/best efforts arrangements  
keine feste Zusage/zu den bestmöglichen Bedingungen

**Commissions**  
**Provisionen**

Nicht anwendbar

Management/Underwriting Commission (specify)  
Management- und Übernahmeprovision (angeben)

Selling Concession (specify)  
Verkaufsprovision (angeben)

Other (specify)  
Andere (angeben)

**Stabilising Dealer/Manager**  
**Kursstabilisierender Dealer/Manager**

keiner

**Listing(s)**  
**Börsenzulassung(en)**

Ja

- Luxembourg  
Luxemburg
  - Regulated Market "Bourse de Luxembourg"
  - Euro MTF
- Düsseldorf
- Other (insert details)  
sonstige (Einzelheiten einfügen)

**Date of admission**  
**Termin der Zulassung**

Wird von der Emittentin zeitnah beantragt

**Estimate of the total expenses related to admission to trading**  
**Geschätzte Gesamtkosten für die Zulassung zum Handel**

nicht anwendbar

**Rating**  
**Rating**

Rating für diese Serie ist beantragt

**Other relevant terms and conditions (specify)**  
**Andere relevante Bestimmungen (einfügen)**

Nicht anwendbar

**Listing:**  
**Börsenzulassung:**

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 30,000,000,000 Essen Hyp Debt Issuance Programme of Hypothekbank in Essen Aktiengesellschaft (as from 5 May 2006).

Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt „Responsibility Statement“ auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, daß diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten ausgelassen 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.*

Hypothekenbank in Essen Aktiengesellschaft

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28 April 2006  
28. April 2006

Final Terms  
*Endgültige Bedingungen*

Euro 20,000,000 4.00 per cent. Public-Sector Pfandbriefe due 3 February 2011  
issued pursuant to the

*Euro 20.000.000 4,00 % Öffentliche Pfandbriefe fällig 3. Februar 2011  
begeben aufgrund des*

**Euro 20,000,000,000  
Essenhyp Debt Issuance Programme**

dated 31 October 2005  
*datiert 31. Oktober 2005*

of  
der

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: 100.44 per cent.  
*Ausgabepreis: 100,44 %*

Issue Date: 3 May 2006  
*Valutierungstag: 3. Mai 2006*

Series No: HBE0HF  
*Serien Nr.: HBE0HF*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the euro 20,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 31 October 2005 (the "Prospectus") and these Final Terms. The Prospectus is available for viewing in electronic form at the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and at the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 20.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das „Programm“). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 31. Oktober 2005 über das Programm (der „Prospekt“) zusammengenommen werden. Der Prospekt kann auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

**I. TERMS AND CONDITIONS  
I. EMISSIONSBEDINGUNGEN**

This part of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined

herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die „Emissionsbedingungen“) zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die „Bedingungen“) gestrichen.*

**PART I.A. Notes other than Participation Certificates**  
**TEIL I.A. Schuldverschreibungen, die keine Genußscheine sind**

**Issuer**  
**Emittentin**

**Hypothesenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency  
*Festgelegte Währung* Euro  
Euro

Aggregate Principal Amount  
*Gesamtnennbetrag* Euro 20,000,000  
Euro 20.000.000

Specified Denomination(s)  
*Festgelegte Stückelung/Stückelungen* Euro 100,000  
Euro 100.000

Number of Notes to be issued in each Specified Denomination  
*Anzahl der in jeder festgelegten Stückelung auszugebenden* 200  
*Schuldverschreibungen* 200

**Form**  
**Form**

**Notes**  
**Schuldverschreibungen**

**Pfandbriefe**

Mortgage Pfandbriefe  
*Hypothekendarlehen*

Public-Sector Pfandbriefe  
*Öffentliche Darlehen*

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

Definitive Notes  
*Einzelurkunden*

- Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**
- Permanent Global Note  
*Dauerglobalurkunde*
- Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
  - Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
**Einzelurkunden**

**No**  
**Nein**

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
**Definitionen**

Clearing System

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S.A./N.V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- Other – (specify)  
*sonstige (angeben)*

**STATUS (§ 2)**  
**STATUS (§ 2)**

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
**ZINSEN (§ 3)**

- Fixed Rate Notes  
**Festverzinsliche Schuldverschreibungen**

**Rate of Interest and Interest Payment Dates**  
**Zinssatz und Zinszahlungstage**

Interest Commencement Date  
*Verzinsungsbeginn* 3 May 2006  
3. Mai 2006

Rate of Interest  
*Zinssatz* 4.00 per cent. per annum  
4,00 % per annum

fixed Interest Payment Date(s)  
*feste(r) Zinszahlungstag(e)* 3 February in each year  
3. Februar in jedem Jahr

First Interest Payment Date  
*Erster Zinszahlungstag* 3 February 2007  
3. Februar 2007

Initial Broken Amount(s) (per specified denomination)  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)(für jede festgelegte Stückelung)* Euro 3,024.66  
Euro 3.024,66

Fixed Interest Date preceding the Maturity Date  
*Festzinstermine, der dem Fälligkeitstag vorangeht*

Final Broken Amount(s) (per specified denomination)  
*Abschließende(r) Bruchteilzinsbetrag(-beträge) (für jede festgelegte Stückelung)*

**Floating Rate Notes**  
**Variabel verzinsliche Schuldverschreibungen**

**Interest Payment Dates**  
**Zinszahlungstage**

Interest Commencement Date  
*Verzinsungsbeginn* []

Specified Interest Payment Dates  
*Festgelegte Zinszahlungstage* []

Specified Interest Period(s)  
*Festgelegte Zinsperiode(n)* [] [weeks/months/other – specify]  
[] [Wochen/Monate/andere – angeben]

**Business Day Convention**  
**Geschäftstagskonvention**

Modified Following Business Day Convention  
*Modifizierte folgender Geschäftstag-Konvention*

FRN Convention (specify period(s))  
*FRN Konvention (Zeitraum angeben)* [] [months/other specify]  
[] [Monate/andere angeben]

Following Business Day Convention  
*Folgender Geschäftstag-Konvention*

Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**  
**Relevante Finanzzentren**

[ ]

**Rate of Interest**  
**Zinssatz**

- Screen Rate Determination  
*Bildschirmfeststellung*

- EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/Interbanken-Markt in der Euro-Zone)*

Screen page  
*Bildschirmseite*

[ ]

- LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/Londoner Interbanken-Markt)*

Screen page  
*Bildschirmseite*

[ ]

- Other (specify)  
*Sonstige (angeben)*

[ ]

Screen page  
*Bildschirmseite*

[ ]

- Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*

Reference Banks (if other than as specified in § 3(2)) (specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*

- ISDA Determination  
*ISDA-Feststellung*

[specify details]  
*[Details einfügen]*

- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

[ ]

**Margin**  
**Marge**

[ ] per cent. per annum  
[ ] % per annum

- plus  
*plus*

- minus  
*minus*



**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

[ ]

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz*
- Maximum Rate of Interest  
*Höchstzinssatz*
- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

[ ] per cent. per annum  
[ ] % per annum

[ ] per cent. per annum  
[ ] % per annum

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield  
*Emissionsrendite*

[ ]

- Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen/Ausweichbestimmungen))*

[ ]

- Instalment Notes**  
**Raten-Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

[ ]

- Index-linked Notes** []  
**Indexierte Schuldverschreibungen**  
(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlagen für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*
- Credit-linked Notes** []  
**Credit-linked Notes**  
(set forth details in full here (including basis for calculating interest and fall back provisions))  
*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*
- other structured Notes** []  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

London, Frankfurt, TARGET  
*London, Frankfurt, TARGET*

**REDEMPTION (§ 5)**  
**RÜCKZAHLUNG (§ 5)**

**Final Redemption**  
**Rückzahlung bei Endfälligkeit**

**Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**  
*Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen*

Maturity Date  
*Fälligkeitstag*

3 February 2011  
3. Februar 2011

Redemption Month  
*Rückzahlungsmonat*

**Final Redemption Amount**  
*Rückzahlungsbetrag*

Principal amount  
*Nennbetrag*

Final Redemption Amount (per specified denomination)  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*

**Instalment Notes**  
*Raten-Schuldverschreibungen*

Instalment Date(s)  
*Ratenzahlungstermin (e)*

[ ]

Instalment Amount(s)  
*Rate(n)*

[ ]

**Early Redemption**  
*Vorzeitige Rückzahlung*

**Optional Redemption for Taxation Reasons**  
*Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen*

No  
Nein

**Early Redemption at the Option of the Issuer**  
*Vorzeitige Rückzahlung nach Wahl der Emittentin*

No  
Nein

Minimum Redemption Amount  
*Mindestrückzahlungsbetrag*

[ ]

Higher Redemption Amount  
*Höherer Rückzahlungsbetrag*

[ ]

Call Redemption Date(s)  
*Wahrückzahlungstag(e) (Call)*

[ ]

Call Redemption Amount(s)  
*Wahrückzahlungsbetrag/-beträge (Call)*

[ ]

Minimum Notice to Holders  
*Mindestkündigungsfrist*

[ ]

Maximum Notice to Holders  
*Höchstkündigungsfrist*

[ ]

<b>Early Redemption at the Option of a Holder</b> <b>Vorzeitige Rückzahlung nach Wahl des Gläubigers</b>	<b>No</b> <b>Nein</b>
Put Redemption Date(s) <i>Wahlrückzahlungstag(e) (Put)</i>	[]
Put Redemption Amount(s) <i>Wahlrückzahlungsbetrag/-beträge (Put)</i>	[]
Minimum Notice to Issuer <i>Mindestkündigungsfrist</i>	[] days []Tage
Maximum Notice to Issuer (never more than 60 days) <i>Höchstkündigungsfrist (nie mehr als 60 Tage)</i>	[] days []Tage

**Early Redemption Amount**  
**Vorzeitiger Rückzahlungsbetrag**

Zero Coupon Notes:  
*Nullkupon-Schuldverschreibungen:*

Reference Price  
*Referenzpreis*

[]

**Redemption of Notes other than Zero Coupon, Fixed Rate, Floating Rate and Instalment Notes**  
**Rückzahlung von Schuldverschreibungen, die weder Nullkupon-, festverzinsliche, variabel verzinsliche noch Raten-Schuldverschreibungen sind**

- |  |    |
|--|----|
| <input type="checkbox"/> <b>Dual Currency Notes</b><br><b>Doppelwährungs-Schuldverschreibungen</b><br>(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine principal/fall-back provisions))<br><i>(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))</i> | [] |
| <input type="checkbox"/> <b>Index-linked Notes</b><br><b>Indexierte Schuldverschreibungen</b><br>(set forth details in full here)<br><i>(Einzelheiten einfügen)</i>  | [] |
| <input type="checkbox"/> <b>Credit-linked Notes</b><br><b>Credit-linked Schuldverschreibungen</b><br>(set forth details in full here)<br><i>(Einzelheiten einfügen)</i>  | [] |
| <input type="checkbox"/> <b>other structured Notes</b><br><b>andere strukturierte Schuldverschreibungen</b><br>(set forth details in full here)<br><i>(Einzelheiten einfügen)</i>  | [] |

**FISCAL AGENT AND PAYING AGENT (§ 6)**  
**EMISSIONSSTELLE UND ZAHLSTELLE (§ 6)**

Fiscal Agent  
*Emissionsstelle*

Hypothekenbank in Essen  
Aktiengesellschaft  
Gildehofstrasse 1  
D-45127 Essen

Paying Agents  
*Zahlstellen*

- Fiscal Agent  
*Emissionsstelle*
- Additional Paying Agent(s)/specified office(s)  
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*

Calculation Agent  
*Berechnungsstelle*

- Yes  
*Ja*
- No  
*Nein*
- Required location (specify)  
*Vorgeschriebenen Ort (angeben)*

**NOTICES (§ 10)**  
**MITTEILUNGEN (§ 10)**

**Place and medium of publication**  
**Ort und Medium der Bekanntmachung**

Publication in printed form  
*Bekanntmachung in gedruckter Form*

- London (Financial Times)  
*London (Financial Times)*
- Luxembourg (d'Wort)  
*Luxemburg (d' Wort)*
- Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*
- Other (specify)  
*sonstige (angeben)*

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

Stock Exchange  
*Börse*

[ ]

Internet Address  
*Internetadresse*

[ ]

**Governing Law**  
**Anwendbares Recht**

**German Law**  
**Deutsches Recht**

**PART I.B. PARTICIPATION CERTIFICATES**  
**TEIL I.B. GENUßSCHEINE**

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Issue, Principal Amount (§ 1)**  
**Begebung, Nennbetrag (§ 1)**

Aggregate Principal Amount [ ]  
*Gesamtnennbetrag*

Date of general meeting [ ]  
*Datum der Hauptversammlung*

Number of Participation Certificates [ ]  
*Anzahl der Stücke*

Principal amount [ ]  
*Nennbetrag*

**Distributions (§ 2)**  
**Ausschüttung (§ 2)**

- Fixed Rate Participation Certificates  
*festverzinsliche Genußscheine*

Rate of interest [ ]  
*Zinssatz*

Interest Commencement Date [ ]  
*Verzinsungsbeginn*

- Floating Rate Participation Certificates  
*variabel verzinsliche Genußscheine*

Interest Commencement Date [ ]  
*Verzinsungsbeginn*

Reference Dates [ ]  
*Referenztermine*

Margin  
*Marge*

Euribor Rate [three/six/nine/twelve month]  
*Euribor-Satz* [drei/sechs/neun/zwölf Monate]

Distribution Date(s) [ ]  
*Ausschüttungstag(e)*

First Distribution Date [ ]  
*Erster Ausschüttungstag*

**Term, Termination by the Issuer (§ 6)**  
***Laufzeit, Kündigung (§ 6)***

End of term [ ]  
*Laufzeitende* end of fiscal year [ ]  
*Ende Geschäftsjahr* [ ]

Repayment Date [ ]  
*Rückzahlungstag*

**Interest Rate applicable to the Final Interest Period**  
***Zinssatz für die abschließende Zinsperiode***

Distribution rate  
*Ausschüttungszinssatz*

Other (specify) [ ]  
*Sonstige (angeben)*

**Termination**  
***Kündigung***

Call Date [ ]  
*Ankündigungstermin*

Date of Termination [ ]  
*Kündigungstermin*

**PART I. C.: GLOBAL PFANDBRIEFE**  
***TEIL I. C.: GLOBALPFANDBRIEFE***

**General Provisions (§ 1)**  
***Allgemeine Bestimmungen (§ 1)***

[Global] Mortgage Pfandbriefe  
*[Global] Hypothekenpfandbriefe*

[Global] Public-Sector Pfandbriefe  
*[Global] Öffentliche Pfandbriefe*

Aggregate Principal Amount [ ]  
*Gesamtnennbetrag*

Number of Notes [ ]  
*Anzahl der Stücke*

**Currency**  
**Währung**

EUR

USD

**Interest (§ 2)**  
**Zinsen (§ 2)**

Rate of interest  
*Zinssatz* []

Interest Commencement Date  
*Verzinsungsbeginn* []

First Interest Payment Date  
*Erster Festzinstermi* []

Fixed Interest Payment Date(s)  
*Festzinstermi(e)* []

**Repayment (§ 3)**  
**Rückzahlung (§ 3)**

Specified Maturity Date  
*Festgelegter Endfälligkeitstag* []

**Payments (§ 4)**  
**Zahlungen (§ 4)**

Relevant Financial Center(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)* []  
[]

Paying Agent  
*Zahlstelle*

BNP Paribas Securities Services Luxembourg Branch

Hypothekenbank in Essen AG



**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**[Specific Risk Factors**  
**Spezielle Risikofaktoren]**

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind**

none  
keine

**[Reasons for the offer**  
**Gründe für das Angebot**

**[specify details]**  
**[Einzelheiten einfügen]**

Estimated net proceeds  
*Geschätzter Nettobetrag der Erträge* Euro 20,088,000  
Euro 20.088.000

Estimated total expenses of the issue  
*Geschätzte Gesamtkosten der Emission* Euro 500  
Euro 500

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

Common Code  
*Common Code* 025338588

ISIN Code  
*ISIN Code* DE000HBE0HF8

German Securities Code  
*Wertpapier-Kenn-Nummer (WKN)* HBE0HF

Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer*

**Yield**  
**Rendite**

Yield  
*Rendite* 3.916 per cent.  
3,916 %

Method of calculating the yield  
*Berechnungsmethode der Rendite*

ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

Other methods (specify)  
*Andere Methoden (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]

- Details relating to the Performance of the [Index][Formula][other variable]  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)]

*[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können)]*

Name of index []  
*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained []  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate []  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket) []  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident  
*Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind*

[insert details here]  
*[Einzelheiten hier einfügen]*

Market disruption or settlement disruption events that may affect the underlying  
*Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen*

[insert details here]  
*[Einzelheiten hier einfügen]*

Adjustment rules with relation to events concerning the underlying  
*Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen*

[insert details here]  
*[Einzelheiten hier einfügen]*

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment  
*Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage*

[specify details here]  
*[Einzelheiten hier angeben]*

**Selling Restrictions**  
**Verkaufsbeschränkungen**

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*
- TEFRA C  
*TEFRA C*
- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
**Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

none  
*keine*

**Restrictions on the free transferability of the Notes**  
**Beschränkungen der freien Übertragbarkeit der Wertpapiere**

none  
*keine*

**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

Conditions, offer statistics, plan of distribution and allotment, pricing.  
*Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung.*

[Conditions to which the offer is subject.  
*Bedingungen, denen das Angebot unterliegt.*

Time period, including any possible amendments, during which the offer will be open.  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt.*

Description of the application process.  
*Beschreibung des Prozesses für die Umsetzung des Angebots.*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants.  
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner.*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest).  
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags).*

Method and time limits for paying up the notes and for delivery of the notes.  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung.*

Manner and date in which results of the offer are to be made public.  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind.*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.  
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte.*

Various categories of potential investors to which the notes are offered.  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden.*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made.  
*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist.*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.  
*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

**Placing and Underwriting**  
**Platzierung und Übernahme**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.  
*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.*

**Method of distribution**  
**Vertriebsmethode**

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

Date of Subscription Agreement  
*Datum des Subscription Agreements*

**Management Details including form of commitment**  
**Einzelheiten bezüglich des Bankenkonsortiums**  
**einschließlich der Art der Übernahme**

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortium (Name und Adresse angeben)*

Credit Suisse Securities (Europe) Limited  
One Cabot Square  
London E14 4QJ

- firm commitment  
*feste Zusage*
- no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**  
**Provisionen**

None  
*keine*

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)  
*Verkaufsprovision (angeben)*

Other (specify)  
*Andere (angeben)*

**Stabilising Dealer/Manager**  
**Kursstabilisierender Dealer/Manager**

None  
*keiner*

**Subscription Agreement**  
**Übernahmevertrag**

[ ]

- Date of subscription agreement  
*Datum des Übernahmevertrags*

[ ]

- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)**  
**Börsenzulassung(en)**

Yes  
*Ja*

- Luxembourg  
*Luxemburg*
- Regulated Market "Bourse de Luxembourg"
- Euro MTF
- Düsseldorf
- Other (insert details)  
*sonstige (Einzelheiten einfügen)*

**Date of admission**  
**Termin der Zulassung**

**Estimate of the total expenses related to admission to trading**  
**Geschätzte Gesamtkosten für die Zulassung zum Handel**

Regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg (Bourse de Luxembourg)  
*Luxemburg (Bourse de Luxembourg)*
- Düsseldorf

- Other (insert details)  
*Andere (Einzelheiten einfügen)*

[ ]

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment.

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung.*

- Not applicable  
*Nicht anwendbar*

**Rating**  
**Rating**

expected to be AAA from Standard & Poor's  
*voraussichtlich AAA von Standard & Poor's*

**Other relevant terms and conditions (specify)**  
**Andere relevante Bestimmungen (einfügen)**

**Listing:**  
**Börsenzulassung:**

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 20,000,000,000 Essenhyp Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (as from 3 May 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Pfandbriefen unter dem € 20.000.000.000 Essenhyp Debt Issuance Programme der Hypothekenbank in Essen Aktiengesellschaft (ab dem 3. Mai 2006) erforderlich sind.*

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt „Responsibility Statement“ auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, daß diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten ausgelassen 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.*

Hypothekenbank in Essen Aktiengesellschaft

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The Final Terms will be displayed on the website of Essenhyp ([www.essenhyp.com](http://www.essenhyp.com)) and in case of Notes listed on the Düsseldorf Stock Exchange on the website of the Düsseldorf Stock Exchange ([www.boerse-duesseldorf.de](http://www.boerse-duesseldorf.de)).

26 April, 2006

Final Terms  
*Endgültige Bedingungen*

Euro 50,000,000 Floating Rate Public Sector Pfandbriefe due March 20, 2013  
issued pursuant to the

**Euro 20,000,000,000  
Essenhyp Debt Issuance Programme**

dated 31 October 2005

of  
der

**Hypothesenbank in Essen Aktiengesellschaft**

Issue Price: 100.00 per cent.

Issue Date 28 April, 2006

Series No: HBE0HA

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the euro 20,000,000,000 Debt Issuance Programme of Hypothesenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothesenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 31 October 2005 (the "Prospectus") and these Final Terms. The Prospectus is available for viewing in electronic form at the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and at the website of Hypothesenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothesenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 20.000.000.000 Debt Issuance Programm der Hypothesenbank in Essen Aktiengesellschaft (das „Programm“). Vollständige Informationen über die Hypothesen Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 31. Oktober 2005 über das Programm (der „Prospekt“) zusammengenommen werden. Der Prospekt kann auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothesenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothesenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

**I. TERMS AND CONDITIONS  
I. EMISSIONSBEDINGUNGEN**

This part of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die „Emissionsbedingungen“) zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die „Bedingungen“) gestrichen.*

The Conditions applicable to the Notes (the "Conditions") and the German or English language translation thereof, if any, are attached to these Final Terms. They replace in full the Terms and Conditions of the Notes as set out in the Prospectus dated 31 October, 2005 and take precedence over any conflicting provisions in these Final Terms.

*Die für die Schuldverschreibungen geltenden Bedingungen (die „Bedingungen“) sowie eine etwaige deutsch- oder englischsprachige Übersetzung sind Endgültigen Bedingungen beigefügt. Die Bedingungen ersetzen in Gänze die im Prospekt vom 31. Oktober 2005 abgedruckten Emissionsbedingungen der Schuldverschreibungen und gehen etwaigen abweichenden Bestimmungen dieser Endgültigen Bedingungen vor.*

**PART I.A. Notes other than Participation Certificates**  
**TEIL I.A. Schuldverschreibungen, die keine Genußscheine sind**

**Issuer**  
**Emittentin**

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
Nicht-konsolidierte Bedingungen
- Integrated  
Konsolidierte Bedingungen

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
ausschließlich Deutsch
- English only  
ausschließlich Englisch



- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency Euro ("EUR")  
*Festgelegte Währung*

Aggregate Principal Amount EUR50,000,000  
*Gesamtnennbetrag*

Specified Denomination(s) EUR 50,000  
*Festgelegte Stückelung/Stückelungen*

Number of Notes to be issued in each Specified Denomination 1,000  
*Anzahl der in jeder festgelegten Stückelung auszugebenden  
Schuldverschreibungen*

**Form**  
**Form**

**Notes**  
**Schuldverschreibungen**

**Pfandbriefe**

Mortgage Pfandbriefe  
*Hypothekendarlehen*

Public-Sector Pfandbriefe  
*Öffentliche Pfandbriefe*

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

Definitive Notes  
*Einzelurkunden*

- Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**
- Permanent Global Note  
*Dauerglobalurkunde*
- Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
  - Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
***Einzelurkunden***

**No**

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
***Definitionen***

Clearing System

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S.A./N.V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- Other – (specify)  
*sonstige (angeben)*

**[ ]**

**STATUS (§ 2)**  
***STATUS (§ 2)***

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
***ZINSEN (§ 3)***

- Fixed Rate Notes**  
***Festverzinsliche Schuldverschreibungen***  
**Rate of Interest and Interest Payment Dates**  
***Zinssatz und Zinszahlungstage***

Interest Commencement Date [ ]  
*Verzinsungsbeginn*

Rate of Interest [ ] per cent. per annum  
*Zinssatz* [ ]% per annum

fixed Interest Payment Date(s) [ ] in each year  
*feste(r) Zinszahlungstag(e)* [ ] in jedem Jahr

First Interest Payment Date [ ]  
*Erster Zinszahlungstag*

Initial Broken Amount(s) (per specified denomination) [ ]  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)(für jede festgelegte Stückelung)*

Fixed Interest Date preceding the Maturity Date [ ]  
*Festzinstemin, der dem Fälligkeitstag vorangeht*

Final Broken Amount(s) (per specified denomination) [ ]  
*Abschließende(r) Bruchteilzinsbetrag(-beträge) (für jede festgelegte Stückelung)*

**Floating Rate Notes**  
**Variabel verzinsliche Schuldverschreibungen**  
**Interest Payment Dates**  
**Zinszahlungstage**

Interest Commencement Date 28 April, 2006  
*Verzinsungsbeginn*

Specified Interest Payment Dates March 20, June 20, September 20 and December 20, in each year commencing June 20, 2006 (short first coupon) up to and including the Maturity Date, each such date subject to adjustment in accordance with the Modified Following Business Day Convention.  
*Festgelegte Zinszahlungstage*

Specified Interest Period(s) 3 months  
*Festgelegte Zinsperiode(n)*

**Business Day Convention**  
**Geschäftstagskonvention**

Modified Following Business Day Convention  
*Modifizierte folgender Geschäftstag-Konvention*

FRN Convention (specify period(s)) [ ] [months/other specify]  
*FRN Konvention (Zeitraum angeben)* [ ] [Monate/andere angeben]

Following Business Day Convention  
*Folgender Geschäftstag-Konvention*

Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*

**Relevant Financial Centres**  
**Relevante Finanzzentren**

London and TARGET

**Rate of Interest**  
**Zinssatz**

Screen Rate Determination  
*Bildschirmfeststellung*

EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/Interbanken-Markt in der Euro-Zone)*

**3 month EUR-EURIBOR save for the Interest Period from and including the Issue Date to but excluding 20 June 2006 where the rate will be the interpolated Euribor rate of 1 month and 2.**

Screen page  
*Bildschirmseite*

Telerate Page 248

LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/Londoner Interbanken-Markt)*

Screen page  
*Bildschirmseite*

[ ]

Other (specify)  
*Sonstige (angeben)*

[ ]

Screen page  
*Bildschirmseite*

[ ]

Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*

Reference Banks (if other than as specified in § 3(2)) (specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*

ISDA Determination  
*ISDA-Feststellung*

[specify details]  
*[Details einfügen]*

Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

[ ]

**Margin**  
**Marge**

0.01 per cent. per annum

plus  
*plus*

- minus  
*minus*

**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify)  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest  
*Mindestzinssatz* per cent. per annum  
[ ] % per annum
- Maximum Rate of Interest  
*Höchstzinssatz* [ ] per cent. per annum  
[ ] % per annum
- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield  
*Emissionsrendite* [ ]

- Dual Currency Notes**  
**Doppelwährungs-Schuldverschreibungen** [ ]  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen/Ausweichbestimmungen))*

- Instalment Notes**  
**Raten-Schuldverschreibungen** [ ]  
(set forth details in full here)  
*(Einzelheiten einfügen)*

- Index-linked Notes** [ ]  
**Indexierte Schuldverschreibungen**  
(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlagen für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*
- Credit-linked Notes** [ ]  
**Credit-linked Notes**  
(set forth details in full here (including basis for calculating interest and fall back provisions))  
*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*
- other structured Notes** [ ]  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)*

London and TARGET

**REDEMPTION (§ 5)**  
**RÜCKZAHLUNG (§ 5)**

**Final Redemption**  
**Rückzahlung bei Endfälligkeit**

<input checked="" type="checkbox"/>	<b>Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes</b> <b>Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen</b>	
<input checked="" type="checkbox"/>	Maturity Date <i>Fälligkeitstag</i>	20 March, 2013
<input checked="" type="checkbox"/>	Redemption Month <i>Rückzahlungsmonat</i>	March
<input type="checkbox"/>	Final Redemption Amount <i>Rückzahlungsbetrag</i>	
<input checked="" type="checkbox"/>	Principal amount <i>Nennbetrag</i>	EUR50,000,000
<input checked="" type="checkbox"/>	Final Redemption Amount (per specified denomination) <i>Rückzahlungsbetrag (für jede festgelegte Stückelung)</i>	EUR50,000
<input type="checkbox"/>	<b>Instalment Notes</b> <b>Raten-Schuldverschreibungen</b>	
	Instalment Date(s) <i>Ratenzahlungstermin (e)</i>	[ ]
	Instalment Amount(s) <i>Rate(n)</i>	[ ]
	<b>Early Redemption</b> <b>Vorzeitige Rückzahlung</b>	
	<b>Optional Redemption for Taxation Reasons</b> <b>Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen</b>	No
	<b>Early Redemption at the Option of the Issuer</b> <b>Vorzeitige Rückzahlung nach Wahl der Emittentin</b>	No
	Minimum Redemption Amount <i>Mindestrückzahlungsbetrag</i>	[ ]
	Higher Redemption Amount <i>Höherer Rückzahlungsbetrag</i>	[ ]
	Call Redemption Date(s) <i>Wahlrückzahlungstag(e) (Call)</i>	[ ]
	Call Redemption Amount(s) <i>Wahlrückzahlungsbetrag/-beträge (Call)</i>	[ ]
	Minimum Notice to Holders <i>Mindestkündigungsfrist</i>	[ ]
	Maximum Notice to Holders <i>Höchstkündigungsfrist</i>	[ ]

**Early Redemption at the Option of a Holder** **No**  
**Vorzeitige Rückzahlung nach Wahl des Gläubigers**

Put Redemption Date(s) []  
*Wahlrückzahlungstag(e) (Put)*

Put Redemption Amount(s) []  
*Wahlrückzahlungsbetrag/-beträge (Put)*

Minimum Notice to Issuer [] days  
*Mindestkündigungsfrist* []Tage

Maximum Notice to Issuer (never more than 60 days) [] days  
*Höchstkündigungsfrist (nie mehr als 60 Tage)* []Tage

**Early Redemption Amount**  
**Vorzeitiger Rückzahlungsbetrag**

Zero Coupon Notes:  
*Nullkupon-Schuldverschreibungen:*

Reference Price []  
*Referenzpreis*

**Redemption of Notes other than Zero Coupon, Fixed Rate,  
Floating Rate and Instalment Notes**  
**Rückzahlung von Schuldverschreibungen, die weder  
Nullkupon-, festverzinsliche, variabel verzinsliche noch  
Raten-Schuldverschreibungen sind**

**Dual Currency Notes** []  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s)  
or basis for calculating exchange rate(s) to determine  
principal/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e)  
oder Grundlage für die Berechnung des/der  
Wechselkurs(e) zur Bestimmung von  
Kapitalbeträgen/Ausweichbestimmungen))*

**Index-linked Notes** []  
**Indexierte Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

**Credit-linked Notes** []  
**Credit-linked Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

**other structured Notes** []  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

**FISCAL AGENT[.,] [AND] PAYING AGENT[S]] [AND CALCULATION AGENT] (§ 6)**  
**EMISSIONSSTELLE[.,] [UND] ZAHLSTELLE[N]] [UND BERECHNUNGSSTELLE] (§ 6)**

Paying Agents  
*Zahlstellen*



- Fiscal Agent  
*Emissionsstelle*
- Additional Paying Agent(s)/specified office(s)  
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*
- Calculation Agent  
*Berechnungsstelle*
  - Yes  
*Ja*
  - No  
*Nein*
  - Required location (specify)  
*Vorgeschriebenen Ort (angeben)*

Hypothekenbank in Essen  
Aktiengesellschaft

Hypothekenbank in Essen  
Aktiengesellschaft

Hypothekenbank in Essen  
Aktiengesellschaft

**NOTICES (§ [12])**  
**MITTEILUNGEN (§ [12])**

**Place and medium of publication**  
**Ort und Medium der Bekanntmachung**

Publication in printed form  
*Bekanntmachung in gedruckter Form*

- London (Financial Times)  
*London (Financial Times)*
- Luxembourg (d'Wort)  
*Luxemburg (d' Wort)*
- Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*
- Other (specify)  
*sonstige (angeben)*

[]

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

No

Stock Exchange  
*Börse*

Internet Address  
*Internetadresse*

**Governing Law**  
**Anwendbares Recht**

**German Law**  
**Deutsches Recht**

**PART I.B. PARTICIPATION CERTIFICATES**  
**TEIL I.B. GENUßSCHEINE**

Not Applicable

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)

*Englisch und Deutsch (englischer Text maßgeblich)*

- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Issue, Principal Amount (§ 1)**  
***Begebung, Nennbetrag (§ 1)***

Aggregate Principal Amount  
*Gesamtnennbetrag* []

Date of general meeting  
*Datum der Hauptversammlung* []

Number of Participation Certificates  
*Anzahl der Stücke* []

Principal amount  
*Nennbetrag* []

**Distributions (§ 2)**  
***Ausschüttung (§ 2)***

- Fixed Rate Participation Certificates  
*festverzinsliche Genußscheine*

Rate of interest  
*Zinssatz* []

Interest Commencement Date  
*Verzinsungsbeginn* []

- Floating Rate Participation Certificates  
*variabel verzinsliche Genußscheine*

Interest Commencement Date  
*Verzinsungsbeginn* []

Reference Dates  
*Referenztermine* []

Margin  
*Marge*

Euribor Rate  
[three/six/nine/twelve month]  
*Euribor-Satz*  
[drei/sechs/neun/zwölf Monate]

Screen Page  
*Bildschirmseite*

Distribution Date(s)  
*Ausschüttungstag(e)* []

First Distribution Date  
*Erster Ausschüttungstag* []

**Term, Termination by the Issuer (§ 6)**

**Laufzeit, Kündigung (§ 6)**

End of term  
*Laufzeitende*

end of fiscal year []  
*Ende Geschäftsjahr []*

Repayment Date  
*Rückzahlungstag*

[]

**Interest Rate applicable to the Final Interest Period  
Zinssatz für die abschließende Zinsperiode**

Distribution rate  
*Ausschüttungszinssatz*

Other (specify)  
*Sonstige (angeben)*

[]

**Termination  
Kündigung**

Call Date  
*Ankündigungstermin*

[]

Date of Termination  
*Kündigungstermin*

[]

**PART I. C.: GLOBAL PFANDBRIEFE  
TEIL I. C.: GLOBALPFANDBRIEFE**

Not Applicable

**General Provisions (§ 1)  
Allgemeine Bestimmungen (§ 1)**

[Global] Mortgage Pfandbriefe  
*[Global] Hypothekendarlehen*

[Global] Public-Sector Pfandbriefe  
*[Global] Öffentliche Darlehen*

Aggregate Principal Amount  
*Gesamtnennbetrag*

[]

Number of Notes  
*Anzahl der Stücke*

[]

**Currency  
Währung**

EUR

USD

**Interest (§ 2)  
Zinsen (§ 2)**

Rate of interest  
*Zinssatz*

[]

Interest Commencement Date  
*Verzinsungsbeginn*

[]

First Interest Payment Date []  
*Erster Festzinstermi*

Fixed Interest Payment Date(s) []  
*Festzinstermi(e)*

**Repayment (§ 3)**  
***Rückzahlung (§ 3)***

Specified Maturity Date []  
*Festgelegter Endfälligkeitstag*

**Payments (§ 4)**  
***Zahlungen (§ 4)***

Relevant Financial Center(s) (specify all) []  
*Relevante(s) Finanzzentren(um) (alle angeben)* []

Paying Agent  
*Zahlstelle*

- BNP Paribas Securities Services Luxembourg Branch
- Hypothekenbank in Essen AG

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**Specific Risk Factors**  
**Spezielle Risikofaktoren]**

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind**

none

**Reasons for the offer**  
**Gründe für das Angebot**

The Issuer expects to use the proceeds for refinancing of public-sector loans and assets constituting substitute cover for public-sector Pfandbriefe currently financed by other means. Proceeds will in any event be used in accordance with all applicable laws and regulations, notably the Pfandbrief Act (Pfandbriefgesetz).

Estimated net proceeds  
*Geschätzter Nettobetrag der Erträge* **EUR50,000,000**

Estimated total expenses of the issue  
*Geschätzte Gesamtkosten der Emission* **EUR 500**

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

Common Code  
*Common Code* **025154991**

ISIN Code  
*ISIN Code* **DE000HBE0HA9**

German Securities Code  
*Wertpapier-Kenn-Nummer (WKN)* **HBE0HA9**

Any other securities number  
*Sonstige Wertpapier-Kenn-Nummer* **[ ]**

**Yield**  
**Rendite**

Yield  
*Rendite* **[ ]**

Method of calculating the yield  
*Berechnungsmethode der Rendite*

ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*

Other methods (specify)  
*Andere Methoden (angeben)*

**Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]

- Details relating to the Performance of the [Index][Formula][other variable].  
Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]

[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)

[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können]

Name of index

[]

Bezeichnung des Index

Description of index / Details of where information about index can be obtained

[]

Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind

Description of interest rate

[]

Beschreibung des Zinssatzes

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket)  
Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)

[]

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident**  
***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

[insert details here]  
[Einzelheiten hier einfügen]

**Market disruption or settlement disruption events that may affect the underlying**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

[insert details here]  
[Einzelheiten hier einfügen]

**Adjustment rules with relation to events concerning the underlying**  
***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

[insert details here]  
[Einzelheiten hier einfügen]

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment**  
***Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage***

[specify details here]  
[Einzelheiten hier angeben]

**Selling Restrictions**  
***Verkaufsbeschränkungen***

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*

- TEFRA C  
*TEFRA C*

- TEFRA D  
*TEFRA D*

- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*

- Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

[ ]

**Taxation**  
***Besteuerung***

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

none

**Restrictions on the free transferability of the Notes**  
***Beschränkungen der freien Übertragbarkeit der Wertpapiere***

[none] [specify details]  
[keine] [Einzelheiten einfügen]

**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KUNDITIONEN DES ANGEBOOTS**

Conditions, offer statistics, plan of distribution and allotment, pricing  
*Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung*

[Conditions to which the offer is subject  
*Bedingungen, denen das Angebot unterliegt*

Time period, including any possible amendments, during which the offer will be open  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*

Description of the application process  
*Beschreibung des Prozesses für die Umsetzung des Angebots*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants  
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)  
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*

Method and time limits for paying up the notes and for delivery of the notes  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung*

Manner and date in which results of the offer are to be made public  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.  
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*

Various categories of potential investors to which the notes are offered  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made  
*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.  
*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

Placing and Underwriting  
*Platzierung und Übernahme*



Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.]*

**Method of distribution**

**Vertriebsmethode**

- Non-syndicated  
*Nicht syndiziert*
- Syndicated  
*Syndiziert*

Date of Subscription Agreement  
*Datum des Subscription Agreements*

**Management Details including form of commitment**

***Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme***

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortiumr (Name und Adresse angeben)*

**Citigroup Global Markets Limited  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB**

- firm commitment  
*feste Zusage*
- no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**

***Provisionen***

Management/Underwriting Commission (specify) []  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify) []  
*Verkaufsprovision (angeben)*

Other (specify) []  
*Andere (angeben)*

**Stabilising Dealer/Manager** [insert details/None]  
***Kursstabilisierender Dealer/Manager*** [Einzelheiten einfügen/keiner]

**Subscription Agreement** []  
***Übernahmevertrag***

- Date of subscription agreement []  
*Datum des Übernahmevertrags*

- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)** Yes  
***Börsenzulassung(en)***

- Luxembourg  
Luxembourg
- Regulated Market "*Bourse de Luxembourg*"
- Euro MTF

Düsseldorf

- Other (insert details) []  
*sonstige (Einzelheiten einfügen)*

**Date of admission** []  
**Termin der Zulassung**

**Estimate of the total expenses related to admission to trading**  
**Geschätzte Gesamtkosten für die Zulassung zum Handel**

Regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg (Bourse de Luxembourg)  
Luxembourg (Bourse de Luxembourg)
- Düsseldorf
- Other (insert details) []  
*Andere (Einzelheiten einfügen)*

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

- Not applicable [specify details]  
*Nicht anwendbar [Einzelheiten einfügen]*

**Rating** Requested  
**Rating**

**Other relevant terms and conditions (specify)** []  
**Andere relevante Bestimmungen (einfügen)**

**Listing:**

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 20,000,000,000 Essenhyp Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (as from **21 March, 2006**)

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, with respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that



25 April 2006  
25. April 2006

Final Terms  
*Endgültige Bedingungen*

Euro 200,000,000 3.75 per cent. Public-Sector Pfandbriefe due 25 March 2011  
issued pursuant to the

*Euro 200.000.000 3,75 % Öffentliche Pfandbriefe fällig 25. März 2011  
begeben aufgrund des*

**Euro 20,000,000,000  
Essenhyp Debt Issuance Programme**

dated 31 October 2005  
*datiert 31. Oktober 2005*

of  
der

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: 99.834 per cent.  
*Ausgabepreis: 99,834 %*

Issue Date: 26 April 2006  
*Valutierungstag: 26. April 2006*

Series No: HBE0HC  
*Serien Nr.: HBE0HC*

These are the Final Terms of an issue of Notes (which term, where applicable, shall include Pfandbriefe) under the euro 20,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 31 October 2005 (the "Prospectus") and these Final Terms. The Prospectus is available for viewing in electronic form at the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and at the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein) unter dem Euro 20.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das „Programm“). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 31. Oktober 2005 über das Programm (der „Prospekt“) zusammengenommen werden. Der Prospekt kann auf der Internetseite der Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.*

**I. TERMS AND CONDITIONS  
I. EMISSIONSBEDINGUNGEN**

This part of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Prospectus. Capitalised Terms not otherwise defined

herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

*Dieser Teil der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der Schuldverschreibungen (die „Emissionsbedingungen“) zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Emissionsbedingungen (die „Bedingungen“) gestrichen.*

**PART I.A. Notes other than Participation Certificates**

**TEIL I.A. Schuldverschreibungen, die keine Genußscheine sind**

**Issuer**  
**Emittentin**

**Hypothekenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination**  
**Währung und Stückelung**

Specified Currency Euro  
*Festgelegte Währung* *Euro*

Aggregate Principal Amount Euro 200,000,000  
*Gesamtnennbetrag* *Euro 200.000.000*

Specified Denomination(s) Euro 100,000  
*Festgelegte Stückelung/Stückelungen* *Euro 100.000*

Number of Notes to be issued in each Specified Denomination 2,000  
*Anzahl der in jeder festgelegten Stückelung auszugebenden* *2.000*  
*Schuldverschreibungen*

**Form**  
**Form**

**Notes**  
**Schuldverschreibungen**

**Pfandbriefe**

Mortgage Pfandbriefe  
*Hypothekendarlehen*

Public-Sector Pfandbriefe  
*Öffentliche Darlehen*

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

Definitive Notes  
*Einzelurkunden*

- Neither TEFRA D nor TEFRA C**  
**Weder TEFRA D noch TEFRA C**
- Permanent Global Note  
*Dauerglobalurkunde*
- Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*
  - Definitive Notes  
*Einzelurkunden*

**Definitive Notes**  
**Einzelurkunden**

**No**  
**Nein**

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
**Definitionen**

Clearing System

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S.A./N.V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- Other – (specify)  
*sonstige (angeben)*

**STATUS (§ 2)**  
**STATUS (§ 2)**

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
**ZINSEN (§ 3)**

- Fixed Rate Notes**  
**Festverzinsliche Schuldverschreibungen**

**Rate of Interest and Interest Payment Dates**  
**Zinssatz und Zinszahlungstage**

Interest Commencement Date  
*Verzinsungsbeginn* 26 April 2006  
26. April 2006

Rate of Interest  
*Zinssatz* 3.75 per cent. per annum  
3,75 % per annum

fixed Interest Payment Date(s)  
*fest(e)r Zinszahlungstag(e)* 25 March in each year  
25. März in jedem Jahr

First Interest Payment Date  
*Erster Zinszahlungstag* 25 March 2007  
25. März 2007

Initial Broken Amount(s) (per specified denomination)  
*Anfängliche(r) Bruchteilzinsbetrag(-beträge)(für jede festgelegte Stückelung)* Euro 3,421.23  
Euro 3.421,23

Fixed Interest Date preceding the Maturity Date  
*Festzinstermi(n), der dem Fälligkeitstag vorangeht*

Final Broken Amount(s) (per specified denomination)  
*Abschließende(r) Bruchteilzinsbetrag(-beträge) (für jede festgelegte Stückelung)*

**Floating Rate Notes**  
**Variabel verzinsliche Schuldverschreibungen**

**Interest Payment Dates**  
**Zinszahlungstage**

Interest Commencement Date  
*Verzinsungsbeginn*

Specified Interest Payment Dates  
*Festgelegte Zinszahlungstage*

Specified Interest Period(s)  
*Festgelegte Zinsperiode(n)*  [weeks/months/other – specify]  
 [Wochen/Monate/andere – angeben]

**Business Day Convention**  
**Geschäftstagskonvention**

Modified Following Business Day Convention  
*Modifizierte folgender Geschäftstag-Konvention*

FRN Convention (specify period(s))  
*FRN Konvention (Zeitraum angeben)*  [months/other specify]  
 [Monate/andere angeben]

Following Business Day Convention  
*Folgender Geschäftstag-Konvention*

Preceding Business Day Convention  
*Vorangegangener Geschäftstag-Konvention*



**Relevant Financial Centres**  
**Relevante Finanzzentren**

[ ]

**Rate of Interest**  
**Zinssatz**

Screen Rate Determination  
*Bildschirmfeststellung*

- EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone)  
*EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/Interbanken-Markt in der Euro-Zone)*

Screen page  
*Bildschirmseite*

[ ]

- LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/Londoner Interbanken-Markt)*

Screen page  
*Bildschirmseite*

[ ]

- Other (specify)  
*Sonstige (angeben)*

[ ]

Screen page  
*Bildschirmseite*

[ ]

- Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*

Reference Banks (if other than as specified in § 3(2)) (specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*

- ISDA Determination  
*ISDA-Feststellung*

[specify details]  
*[Details einfügen]*

- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions))  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*

[ ]

**Margin**  
**Marge**

[ ] per cent. per annum  
*[ ] % per annum*

- plus  
*plus*

- minus  
*minus*

**Interest Determination Date**  
**Zinsfestlegungstag**

- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify) []  
*sonstige (angeben)*

**Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**

- Minimum Rate of Interest [] per cent. per annum  
*Mindestzinssatz* [] % per annum
- Maximum Rate of Interest [] per cent. per annum  
*Höchstzinssatz* [] % per annum
- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest**  
**Auflaufende Zinsen**

- Amortisation Yield []  
*Emissionsrendite*
- Dual Currency Notes** []  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest/fall-back provisions))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen/Ausweichbestimmungen))*
- Instalment Notes** []  
**Raten-Schuldverschreibungen**  
(set forth details in full here)  
*(Einzelheiten einfügen)*

- Index-linked Notes** []  
**Indexierte Schuldverschreibungen**  
 (set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events and adjustment rules with relation to events concerning the underlying))  
 (Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlagen für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Markets oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))
  
- Credit-linked Notes** []  
**Credit-linked Notes**  
 (set forth details in full here (including basis for calculating interest and fall back provisions))  
 (Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))
  
- other structured Notes** []  
**andere strukturierte Schuldverschreibungen**  
 (set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
 (Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))

**Day Count Fraction**  
**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)

**PAYMENTS (§ 4)**  
**ZAHLUNGEN (§ 4)**

**Payment Business Day**  
**Zahlungstag**

Relevant Financial Centre(s) (specify all)  
 Relevante(s) Finanzzentren(um) (alle angeben)

London, Frankfurt, TARGET  
 London, Frankfurt, TARGET

**REDEMPTION (§ 5)**  
**RÜCKZAHLUNG (§ 5)**

**Final Redemption**  
**Rückzahlung bei Endfälligkeit**

**Notes other than Instalment, Dual Currency, Index-linked, Credit-linked or Structured Notes**  
*Schuldverschreibungen außer Raten-, Doppelwährungs-, Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen*

Maturity Date  
*Fälligkeitstag*

25 March 2011  
25. März 2011

Redemption Month  
*Rückzahlungsmonat*

**Final Redemption Amount**  
*Rückzahlungsbetrag*

Principal amount  
*Nennbetrag*

Final Redemption Amount (per specified denomination)  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*

**Instalment Notes**  
*Raten-Schuldverschreibungen*

Instalment Date(s)  
*Ratenzahlungstermin (e)*

[ ]

Instalment Amount(s)  
*Rate(n)*

[ ]

**Early Redemption**  
*Vorzeitige Rückzahlung*

**Optional Redemption for Taxation Reasons**  
*Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen*

No  
Nein

**Early Redemption at the Option of the Issuer**  
*Vorzeitige Rückzahlung nach Wahl der Emittentin*

No  
Nein

Minimum Redemption Amount  
*Mindestrückzahlungsbetrag*

[ ]

Higher Redemption Amount  
*Höherer Rückzahlungsbetrag*

[ ]

Call Redemption Date(s)  
*Wahlrückzahlungstag(e) (Call)*

[ ]

Call Redemption Amount(s)  
*Wahlrückzahlungsbetrag/-beträge (Call)*

[ ]

Minimum Notice to Holders  
*Mindestkündigungsfrist*

[ ]

Maximum Notice to Holders  
*Höchstkündigungsfrist*

[ ]

**Early Redemption at the Option of a Holder**  
**Vorzeitige Rückzahlung nach Wahl des Gläubigers**

**No**  
**Nein**

Put Redemption Date(s) <i>Wahlrückzahlungstag(e) (Put)</i>	[ ]
Put Redemption Amount(s) <i>Wahlrückzahlungsbetrag/-beträge (Put)</i>	[ ]
Minimum Notice to Issuer <i>Mindestkündigungsfrist</i>	[ ] days [ ]Tage
Maximum Notice to Issuer (never more than 60 days) <i>Höchstkündigungsfrist (nie mehr als 60 Tage)</i>	[ ] days [ ]Tage

**Early Redemption Amount**  
**Vorzeitiger Rückzahlungsbetrag**

Zero Coupon Notes:  
*Nullkupon-Schuldverschreibungen:*

Reference Price  
*Referenzpreis* [ ]

**Redemption of Notes other than Zero Coupon, Fixed Rate, Floating Rate and Instalment Notes**  
**Rückzahlung von Schuldverschreibungen, die weder Nullkupon-, festverzinsliche, variabel verzinsliche noch Raten-Schuldverschreibungen sind**

- |  |     |
|--|-----|
| <input type="checkbox"/> <b>Dual Currency Notes</b><br><b>Doppelwährungs-Schuldverschreibungen</b><br>(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine principal/fall-back provisions))<br><i>(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))</i> | [ ] |
| <input type="checkbox"/> <b>Index-linked Notes</b><br><b>Indexierte Schuldverschreibungen</b><br>(set forth details in full here)<br><i>(Einzelheiten einfügen)</i>  | [ ] |
| <input type="checkbox"/> <b>Credit-linked Notes</b><br><b>Credit-linked Schuldverschreibungen</b><br>(set forth details in full here)<br><i>(Einzelheiten einfügen)</i>  | [ ] |
| <input type="checkbox"/> <b>other structured Notes</b><br><b>andere strukturierte Schuldverschreibungen</b><br>(set forth details in full here)<br><i>(Einzelheiten einfügen)</i>  | [ ] |

**FISCAL AGENT AND PAYING AGENT (§ 6)**  
**EMISSIONSSTELLE UND ZAHLSTELLE (§ 6)**

Fiscal Agent  
*Emissionsstelle*

Hypothekenbank in Essen  
Aktiengesellschaft  
Gildehofstrasse 1  
D-45127 Essen

Paying Agents  
*Zahlstellen*

- Fiscal Agent  
*Emissionsstelle*
- Additional Paying Agent(s)/specified office(s)  
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*

Calculation Agent  
*Berechnungsstelle*

- Yes  
*Ja*
- No  
*Nein*
- Required location (specify)  
*Vorgeschriebenen Ort (angeben)*

**NOTICES (§ 10)**  
**MITTEILUNGEN (§ 10)**

**Place and medium of publication**  
***Ort und Medium der Bekanntmachung***

Publication in printed form  
*Bekanntmachung in gedruckter Form*

- London (Financial Times)  
*London (Financial Times)*
- Luxembourg (d'Wort)  
*Luxemburg (d' Wort)*
- Germany (Börsen-Zeitung)  
*Deutschland (Börsen-Zeitung)*
- Other (specify)  
*sonstige (angeben)*

Publication on the website of the stock exchange  
*Bekanntmachung auf der Website der Börse*

Stock Exchange  
*Börse*

[ ]

Internet Address  
*Internetadresse*

[ ]

**Governing Law**  
***Anwendbares Recht***

**German Law**  
***Deutsches Recht***

**PART I.B. PARTICIPATION CERTIFICATES**  
**TEIL I.B. GENUßSCHEINE**

**Language of Conditions**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Issue, Principal Amount (§ 1)**  
**Begebung, Nennbetrag (§ 1)**

Aggregate Principal Amount []  
*Gesamtnennbetrag*

Date of general meeting []  
*Datum der Hauptversammlung*

Number of Participation Certificates []  
*Anzahl der Stücke*

Principal amount []  
*Nennbetrag*

**Distributions (§ 2)**  
**Ausschüttung (§ 2)**

- Fixed Rate Participation Certificates  
*festverzinsliche Genußscheine*

Rate of interest []  
*Zinssatz*

Interest Commencement Date []  
*Verzinsungsbeginn*

- Floating Rate Participation Certificates  
*variabel verzinsliche Genußscheine*

Interest Commencement Date []  
*Verzinsungsbeginn*

Reference Dates []  
*Referenztermine*

Margin  
*Marge*

Euribor Rate  
*Euribor-Satz*

[three/six/nine/twelve month]  
[drei/sechs/neun/zwölf Monate]

Screen Page  
Bildschirmseite

Distribution Date(s) [ ]  
*Ausschüttungstag(e)*

First Distribution Date [ ]  
*Erster Ausschüttungstag*

**Term, Termination by the Issuer (§ 6)**  
***Laufzeit, Kündigung (§ 6)***

End of term [ ]  
*Laufzeitende* end of fiscal year [ ]  
*Ende Geschäftsjahr [ ]*

Repayment Date [ ]  
*Rückzahlungstag*

**Interest Rate applicable to the Final Interest Period**  
***Zinssatz für die abschließende Zinsperiode***

Distribution rate  
*Ausschüttungszinssatz*

Other (specify) [ ]  
*Sonstige (angeben)*

**Termination**  
***Kündigung***

Call Date [ ]  
*Ankündigungstermin*

Date of Termination [ ]  
*Kündigungstermin*

**PART I. C.: GLOBAL PFANDBRIEFE**  
***TEIL I. C.: GLOBALPFANDBRIEFE***

**General Provisions (§ 1)**  
***Allgemeine Bestimmungen (§ 1)***

[Global] Mortgage Pfandbriefe  
*[Global] Hypothekendarlehen*

[Global] Public-Sector Pfandbriefe  
*[Global] Öffentliche Pfandbriefe*

Aggregate Principal Amount [ ]  
*Gesamtnennbetrag*

Number of Notes [ ]  
*Anzahl der Stücke*



**Currency**  
**Währung**

EUR

USD

**Interest (§ 2)**  
**Zinsen (§ 2)**

Rate of interest  
*Zinssatz* []

Interest Commencement Date  
*Verzinsungsbeginn* []

First Interest Payment Date  
*Erster Festzinstermine* []

Fixed Interest Payment Date(s)  
*Festzinstermine(e)* []

**Repayment (§ 3)**  
**Rückzahlung (§ 3)**

Specified Maturity Date  
*Festgelegter Endfälligkeitstag* []

**Payments (§ 4)**  
**Zahlungen (§ 4)**

Relevant Financial Center(s) (specify all)  
*Relevante(s) Finanzzentren(um) (alle angeben)* []  
[]

Paying Agent  
*Zahlstelle*

BNP Paribas Securities Services Luxembourg Branch

Hypothekenbank in Essen AG

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**[Specific Risk Factors**  
**Spezielle Risikofaktoren]**

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot**  
**beteiligt sind**

none  
keine

**[Reasons for the offer**  
**Gründe für das Angebot**

**[specify details]**  
**[Einzelheiten einfügen]**

Estimated net proceeds  
Geschätzter Nettobetrag der Erträge

Euro 199,668,000  
Euro 199.668.000

Estimated total expenses of the issue  
Geschätzte Gesamtkosten der Emission

Euro 500  
Euro 500

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

- |                                     |  |              |
|-------------------------------------|--|--------------|
| <input checked="" type="checkbox"/> | Common Code<br>Common Code                                     | 025237994    |
| <input checked="" type="checkbox"/> | ISIN Code<br>ISIN Code   | DE000HBE0HC5 |
| <input checked="" type="checkbox"/> | German Securities Code<br>Wertpapier-Kenn-Nummer (WKN)         | HBE0HC       |
| <input type="checkbox"/>            | Any other securities number<br>Sonstige Wertpapier-Kenn-Nummer |              |

**Yield**  
**Rendite**

Yield  
Rendite

3.789 per cent.  
3,789 %

Method of calculating the yield  
Berechnungsmethode der Rendite

- ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*
- Other methods (specify)  
*Andere Methoden (angeben)*
- Historic Interest Rates**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]

- Details relating to the Performance of the [Index][Formula][other variable]  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)  
*[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können)]*

Name of index []  
*Bezeichnung des Index*

Description of index / Details of where information about index can be obtained []  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate []  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket) []  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident  
*Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind*

[insert details here]  
*[Einzelheiten hier einfügen]*

Market disruption or settlement disruption events that may affect the underlying  
*Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen*

[insert details here]  
*[Einzelheiten hier einfügen]*

Adjustment rules with relation to events concerning the underlying  
*Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen*

[insert details here]  
*[Einzelheiten hier einfügen]*

- Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment  
*Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage*

[specify details here]  
*[Einzelheiten hier angeben]*

**Selling Restrictions**  
**Verkaufsbeschränkungen**

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*
- TEFRA C  
*TEFRA C*
- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify)  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation**  
**Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

none  
*keine*

**Restrictions on the free transferability of the Notes**  
**Beschränkungen der freien Übertragbarkeit der Wertpapiere**

none  
*keine*

**TERMS AND CONDITIONS OF THE OFFER**  
**BEDINGUNGEN UND KONDITIONEN DES ANGEBOTS**

Conditions, offer statistics, plan of distribution and allotment, pricing.  
*Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung.*

[Conditions to which the offer is subject.  
*Bedingungen, denen das Angebot unterliegt.*

Time period, including any possible amendments, during which the offer will be open.  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt.*

Description of the application process.  
*Beschreibung des Prozesses für die Umsetzung des Angebots.*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants.  
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner.*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest).  
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags).*

Method and time limits for paying up the notes and for delivery of the notes.  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung.*

Manner and date in which results of the offer are to be made public.  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind.*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.  
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte.*

Various categories of potential investors to which the notes are offered.  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden.*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made.  
*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist.*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.  
*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

### **Placing and Underwriting** **Platzierung und Übernahme**

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.  
*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.*

### **Method of distribution** **Vertriebsmethode**

Non-syndicated  
*Nicht syndiziert*

Syndicated  
*Syndiziert*

Date of Subscription Agreement  
*Datum des Subscription Agreements*

### **Management Details including form of commitment** **Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme**

Dealer / Management Group (specify name and address)  
*Plazeur / Bankenkonsortiumr (Name und Adresse angeben)*

Credit Suisse Securities (Europe) Limited  
One Cabot Square  
London E14 4QJ

- firm commitment  
*feste Zusage*
- no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions**  
**Provisionen**

None  
*keine*

Management/Underwriting Commission (specify)  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify)  
*Verkaufsprovision (angeben)*

Other (specify)  
*Andere (angeben)*

**Stabilising Dealer/Manager**  
**Kursstabilisierender Dealer/Manager**

None  
*keiner*

**Subscription Agreement**  
**Übernahmevertrag**

[ ]

- Date of subscription agreement  
*Datum des Übernahmevertrags*

[ ]

- General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)**  
**Börsenzulassung(en)**

Yes  
*Ja*

- Luxembourg  
*Luxemburg*
- Regulated Market "Bourse de Luxembourg"
- Euro MTF
- Düsseldorf
- Other (insert details)  
*sonstige (Einzelheiten einfügen)*

**Date of admission**  
**Termin der Zulassung**

**Estimate of the total expenses related to admission to trading**  
**Geschätzte Gesamtkosten für die Zulassung zum Handel**

Regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading  
*Angabe geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

- Luxembourg (Bourse de Luxembourg)  
*Luxemburg (Bourse de Luxembourg)*
- Düsseldorf

- Other (insert details)  
*Andere (Einzelheiten einfügen)*

[ ]

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment.

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung.*

- Not applicable  
*Nicht anwendbar*

**Rating**  
**Rating**

expected to be AAA from Standard & Poor's

**Other relevant terms and conditions (specify)**  
***Andere relevante Bestimmungen (einfügen)***

**Listing:**  
***Börsenzulassung:***

The above Final Terms comprise the details required to list this issue of Pfandbriefe pursuant to the € 20,000,000,000 Essenhyp Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (as from 26 April 2006).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von Pfandbriefen unter dem € 20.000.000.000 Essenhyp Debt Issuance Programme der Hypothekenbank in Essen Aktiengesellschaft (ab dem 26. April 2006) erforderlich sind.*

**Responsibility**  
***Verantwortlichkeit***

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt „Responsibility Statement“ auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, daß diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten ausgelassen 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.*

Hypothekenbank in Essen Aktiengesellschaft

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*This document constitutes two base prospectuses of Hypothekbank in Essen Aktiengesellschaft: (i) the base prospectus in respect of non-equity securities within the meaning of Art. 22 No. 6(4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004 (the "**Commission Regulation**") and (ii) the base prospectus in respect of Pfandbriefe (non-equity securities within the meaning of Art. 22 No. 6(3) of the Commission Regulation) (together, the "**Debt Issuance Programme Prospectus**" or the "**Prospectus**").*

Debt Issuance Programme Prospectus  
Dated 28 April 2006

## **Hypothekbank in Essen Aktiengesellschaft**

**Essen, Federal Republic of Germany**

– Issuer –

**Euro 30,000,000,000**

**Essen Hyp Debt Issuance Programme**  
(the "**Programme**")

Application has been made to the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**Commission**"), which is the Luxembourg competent authority for the purpose of Directive 2003/71/EC (the "**Prospectus Directive**"), for its approval of this Prospectus.

Application has been made to the Luxembourg Stock Exchange for notes (the "**Notes**", which expression includes Pfandbriefe and Participation Certificates (as defined herein) unless otherwise indicated) issued under this Prospectus to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (as defined below) and to be listed on the Luxembourg Stock Exchange. Notes issued under the Programme may also be listed on other or further stock exchanges or may not be listed at all.

The Issuer has requested the Commission to provide the competent authorities in the Federal Republic of Germany, the Republic of Austria, the United Kingdom of Great Britain and Northern Ireland and the Republic of Ireland on 28 April 2006 with a certificate of approval attesting that this Prospectus has been drawn up in accordance with the Luxembourg law implementing the Prospectus Directive ("**Notification**"). The Issuer may request the Commission to provide competent authorities in additional host Member States within the European Economic Area with a Notification. Under the Luxembourg law implementing the Prospectus Directive, prospectuses relating to money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval provisions of Part II of such law.

Arrangers

**COMMERZBANK CORPORATES & MARKETS**

**MERRILL LYNCH INTERNATIONAL**

Dealers

**ABN AMRO**

**BARCLAYS CAPITAL**

**CALYON, CORPORATE AND INVESTMENT BANK**

**CITIGROUP**

**COMMERZBANK CORPORATES & MARKETS**

**DEUTSCHE BANK**

**DZ BANK AG**

**GOLDMAN SACHS INTERNATIONAL**

**HSBC**

**LEHMAN BROTHERS**

**MERRILL LYNCH INTERNATIONAL**

**MORGAN STANLEY**

**SOCIÉTÉ GÉNÉRALE**

**UBS INVESTMENT BANK**

**CORPORATE & INVESTMENT BANKING**

This Prospectus will be published in electronic form on the websites of the Issuer ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and of the Luxembourg Stock



Exchange ([www.bourse.lu](http://www.bourse.lu)). This Prospectus replaces the Prospectus dated 31 October 2005 and it is valid for 12 months following the date of its publication.

## TABLE OF CONTENTS

	Page
<b>Responsibility Statement</b> .....	<b>3</b>
<b>Notice</b> .....	<b>3</b>
<b>General Description of the Programme</b> .....	<b>5</b>
General.....	5
Issue Procedures .....	6
<b>Summary</b> .....	<b>8</b>
Summary regarding the Notes (excluding Participation Certificates).....	8
Summary regarding Participation Certificates .....	12
Summary of Risk Factors .....	13
Summary regarding the Issuer.....	15
<b>German Translation of the Summary</b> .....	<b>16</b>
<b>Risk Factors</b> .....	<b>25</b>
Risk Factors regarding the Issuer .....	25
Risk Factors regarding the Notes.....	26
<b>Hypothekbank in Essen Aktiengesellschaft</b> .....	<b>32</b>
<b>Terms and Conditions of the Notes – English Language Version</b> .....	<b>35</b>
<b>Terms and Conditions of the Notes – German Language Version</b> .....	<b>84</b>
<b>Form of Final Terms</b> .....	<b>141</b>
<b>Use of Proceeds</b> .....	<b>166</b>
<b>Pfandbriefe</b> .....	<b>167</b>
<b>Taxation</b> .....	<b>171</b>
<b>Selling Restrictions</b> .....	<b>175</b>
<b>General Information</b> .....	<b>179</b>
<b>Documents Incorporated by Reference</b> .....	<b>181</b>
Documents incorporated by Reference.....	181
Comparative Table of Documents incorporated by Reference.....	181
Availability of Incorporated Documents .....	181
<b>Address List</b> .....	<b>182</b>

## RESPONSIBILITY STATEMENT

Hypothekenbank in Essen Aktiengesellschaft ("**Essen Hyp**", the "**Bank**" or the "**Issuer**"), with its registered office in Essen, Germany, is solely responsible for the information given in this Prospectus. The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

## NOTICE

This Prospectus should be read and understood in conjunction with any supplement hereto and with any other documents incorporated herein by reference. Full information on the Issuers and any tranche of Notes is only available on the basis of the combination of the Prospectus and the relevant Final Terms (as defined herein).

The Issuer has confirmed to the Dealers (as defined herein) that this Prospectus contains all information with regard to the Issuer and the Notes which is material in the context of the Programme and the issue and offering of Notes thereunder, that the information contained herein with respect to the Issuer and the Notes is accurate in all material respects and is not misleading; that any opinions and intentions expressed herein with respect to the Issuer and the Notes are honestly held, that there are no other facts with respect to the Issuer and the Notes the omission of which would make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading and that the Issuer has made all reasonable enquiries to ascertain all facts material for the purposes aforesaid.

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

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 Series of Notes, together with the applicable final terms (the "**Final Terms**").

This Prospectus is valid for 12 months following the date of its publication and this Prospectus and any supplement hereto as well as any Final Terms reflect the status as of their respective dates of publication. The delivery of this Prospectus and the offering, sale or delivery of any Notes may not be taken as an implication that the information contained in such documents is accurate and complete subsequent to their respective dates of issue or that there has been no adverse change in the financial condition of the Issuer since such date or that any other information supplied in connection with the Programme is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Issuer has undertaken with the Dealers (i) to publish a supplement to this Prospectus or to publish a new Prospectus, if and when information herein should become materially inaccurate or incomplete or in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Notes and (ii) where approval by the Commission of any such document is required, to have such document approved by the Commission.

Neither the Arranger nor any Dealer nor any other person mentioned in this Prospectus, except for the Issuer, is responsible for the information contained in this Prospectus or any supplement thereto, or any Final Terms or any other 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 comes are required to inform themselves about and observe any such restrictions. For a

description of restrictions applicable in the Member States of the Economic European Area in general, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Switzerland and Japan, see "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 are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U. S. persons.

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 is controlling and binding, if so specified in the relevant Final Terms.

**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 authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

**This Prospectus and any Final Terms do not constitute an offer or invitation to any person to subscribe for or to purchase any Notes.**

In connection with the issue of any Tranche of Notes under the Programme, the Dealer or Dealers (if any) named as the stabilising manager(s) in the applicable Final Terms (or persons acting on behalf of a stabilising manager) may over-allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105 per cent of the aggregate principal amount of the relevant Tranche of Notes) or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that such stabilising manager(s) (or persons acting on behalf of a stabilising manager) will undertake stabilisation action. Any stabilisation action may begin at any time after the adequate public disclosure of the terms of the offer of the relevant Tranche of Notes and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes.

## GENERAL DESCRIPTION OF THE PROGRAMME

### General

Under the Programme, Notes may be issued in the form of Fixed Rate Notes, Floating Rate Notes, Index-linked Notes, Dual Currency Notes, Zero Coupon Notes or any other type on which the Issuer and the relevant Dealer(s) may agree. Notes may also be issued as Mortgage Pfandbriefe (*Hypothekendarlehen*) or Public-Sector Pfandbriefe (*Öffentliche Pfandbriefe*). Mortgage Pfandbriefe and Public-Sector Pfandbriefe may be issued in the form of Global Pfandbriefe (the "**Global Pfandbriefe**") (all together, the "**Pfandbriefe**"). In addition, the Issuer may issue Notes as profit participation certificates (the "**Participation Certificates**"). Distributions on the Participation Certificates can be made as fixed rate distribution or a floating rate distribution.

Dealers under the Programme are the following: ABN AMRO Bank N. V., Barclays Bank PLC, Calyon, Citigroup Global Markets Limited, Commerzbank Aktiengesellschaft, Deutsche Bank Aktiengesellschaft, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Goldman Sachs International, HSBC Bank plc, Lehman Brothers International (Europe), Merrill Lynch International, Morgan Stanley & Co. International Limited, Société Générale and UBS Limited and any additional Dealer appointed under the Programme of the Issuer from time to time (each a "**Dealer**" and together, the "**Dealers**") which appointment may be for a specific issue or on an ongoing basis.

The maximum aggregate principal amount of the Notes outstanding at any one time under the Programme will not exceed € 30,000,000,000 (or its equivalent in other currencies calculated as described herein). The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement (as defined herein) from time to time.

Notes may be issued on a continuing basis to one or more of the Dealers. Notes may be distributed by way of public offer or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each tranche ("**Tranche**") will be stated in the relevant Final Terms.

Notes will be issued 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 being identical in all respects, but may have different issue dates, interest commencement dates, issue prices and/or dates of first interest payments, may form a series ("**Series**") of Notes. Further Notes may be issued as part of an existing Series. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions) will be set forth in the applicable Final Terms.

Notes will be issued in such denominations 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, € 1,000, and, if in any currency other than euro, an amount in such other currency equal to or exceeding the equivalent of € 1,000 at the time of the issue of Notes.

Notes may be issued at any issue price which is at par or at a discount to, or premium over, par as stated in the relevant Final Terms.

Notes (other than Pfandbriefe and Participation Certificates) may be issued as senior Notes ("**Senior Notes**") or subordinated Notes ("**Subordinated Notes**").

Application has been made to the Commission, which is the Luxembourg competent authority for the purpose of the Prospectus Directive, for its approval of this Prospectus.

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Prospectus to be admitted to trading on the "**regulated market of the Luxembourg Stock Exchange**" which is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC, and to be listed on the Luxembourg Stock Exchange. The Programme provides that Notes may be listed on other or further stock exchanges including, but not limited to, the Düsseldorf Stock Exchange, as may be agreed between the Issuer and the relevant Dealer(s) in relation to each issue. Notes may further be issued under the Programme without being listed on any stock exchange.

Notes will be accepted for clearing through one or more Clearing Systems as specified in the applicable Final Terms. These systems will include those operated by Clearstream Banking AG, Clearstream Banking, société anonyme and Euroclear Bank S. A./N. V. as operator of the Euroclear system.

BNP Paribas Securities Services, Luxembourg Branch, will act as Fiscal Agent, Luxembourg Paying Agent and Luxembourg Listing Agent.

## Issue Procedures

### *General*

The Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Tranche of Notes (the "**Conditions**"). The Conditions will be constituted by the Terms and Conditions of the Notes set forth below (the "**Terms and Conditions**") as completed, modified, supplemented or replaced by the provisions of the Final Terms. The Final Terms relating to each Tranche of Notes will specify:

- whether the Conditions are to be **Long-Form Conditions** or **Integrated Conditions** (each as described below); and
- whether the Conditions will be in the German language or the English language or both (and, if both, whether the German language version or the English language version is controlling).

As to whether **Long-Form Conditions** or **Integrated Conditions** will apply, the Issuer anticipates that:

- **Long-Form Conditions** will generally be used for Notes sold on a non-syndicated basis and which are not publicly offered.
- **Integrated Conditions** will generally be used for Notes sold and distributed on a syndicated basis. **Integrated Conditions** will be required where the Notes are to be publicly offered, in whole or in part, or are to be distributed, in whole or in part, to non-professional investors.

As to the controlling language of the respective Conditions, the Issuer anticipates that, in general, subject to any stock exchange or legal requirements applicable from time to time, and unless otherwise agreed between the Issuer and the relevant Dealer:

- in the case of Notes sold and distributed on a syndicated basis, German will be the controlling language;
- in the case of Notes publicly offered, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-professional investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non-professional investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal office of the Fiscal Agent and Essen Hyp, as specified on the back cover of this Prospectus.

### *Long-Form Conditions*

If the Final Terms specify that **Long-Form Conditions** are to apply to the Notes, the provisions of the applicable Final Terms and the Terms and Conditions, taken together, shall constitute the Conditions. Such Conditions will be constituted as follows:

- the blanks in the provisions of the Terms and Conditions which are applicable to the Notes will 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;
- the Terms and Conditions will be modified, supplemented or replaced by the text of any provisions of the Final Terms modifying, supplementing or replacing, in whole or in part, the provisions of the Terms and Conditions;

- alternative or optional provisions of the Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted will be deemed to be deleted from the Conditions; and
- all instructions and explanatory notes set out in square brackets in the Terms and Conditions and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

Where **Long-Form Conditions** apply, each global note representing the Notes of the relevant Series will have the Final Terms and the Terms and Conditions attached. If Definitive Notes are delivered in respect of the Notes of such Series, they will have endorsed thereon either (i) the Final Terms and the Terms and Conditions in full, (ii) the Final Terms and the Terms and Conditions in a form simplified by the deletion of non-applicable provisions, or (iii) Integrated Conditions, as the Issuer may determine.

#### *Integrated Conditions*

If the Final Terms specify that **Integrated Conditions** are to apply to the Notes, the Conditions in respect of such Notes will be constituted as follows:

- all of the blanks in all applicable provisions of the Terms and Conditions will be completed according to the information contained in the Final Terms and all non-applicable provisions of the Terms and Conditions (including the instructions and explanatory notes set out in square brackets) will be deleted; and/or
- the Terms and Conditions will be otherwise modified, supplemented or replaced, in whole or in part, according to the information set forth in the Final Terms.

Where **Integrated Conditions** apply, the **Integrated Conditions** alone will constitute the Conditions. The **Integrated Conditions** will be attached to each global note representing Notes of the relevant Series and will be endorsed on any Definitive Notes exchanged for any such global note.

## SUMMARY

The following constitutes a summary (the "**Summary**") of the essential characteristics and risks associated with the Issuer and the Notes to be issued under the Programme. This Summary should be read as an introduction to this Prospectus. Any decision by an investor to invest in any Tranche of the Notes should be based on consideration of this Prospectus as a whole, including the documents incorporated by reference, any supplement thereto and the relevant Final Terms. Where a claim relating to the information contained in this Prospectus, including the documents incorporated by reference, any supplement thereto and the relevant Final Terms is brought before a court, the plaintiff investor might, under the national legislation of such court, have to bear the costs of translating the Prospectus, any documents incorporated by reference, any supplement thereto and the relevant Final Terms before the legal proceedings are initiated. Civil liability attaches to the Issuer, who has tabled this Summary including any translation thereof and has applied or will apply for its notification, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus.

The following Summary does not purport to be complete and is taken from and qualified in its entirety by the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of the Notes, the applicable Final Terms.

### SUMMARY REGARDING THE NOTES (EXCLUDING PARTICIPATION CERTIFICATES)

<b>Form of Notes</b>	Notes may be issued in bearer form only except for Global Pfandbriefe, which may be issued in registered form.
<b>Pfandbriefe</b>	<p>Notes may be issued under the Programme as Mortgage Pfandbriefe (<i>Hypothekendarlehenpfandbriefe</i>) or Public-Sector Pfandbriefe (<i>Öffentliche Darlehenpfandbriefe</i>).</p> <p>The Programme also provides for Global Pfandbriefe which may be offered and sold in transactions outside the United States of America in reliance on Regulation S under the Securities Act and within the United States of America only to "qualified institutional buyers" in reliance on the exemptions from the registration requirements of the Securities Act provided by Rule 144A under the Securities Act.</p> <p>Pfandbriefe constitute recourse obligations of Essen Hyp. They are secured or "covered" by separate pools of mortgage loans (in the case of Mortgage Pfandbriefe) or public loans (in the case of Public-Sector Pfandbriefe) which are regulated by the Pfandbrief Act (<i>Pfandbriefgesetz</i>) and monitored by an independent trustee appointed by the Federal Banking Supervisory Authority.</p>
<b>Specified Currencies</b>	Subject to any applicable legal or regulatory restrictions and requirements of relevant central banks, Notes may be issued in euro or any other currency agreed by the Issuer and the relevant Dealer(s).
<b>Denominations of Notes</b>	Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms save that the minimum denomination of the Notes will be € 1,000 and, if in any currency other than euro, an amount in such other currency equivalent to or exceeding the equivalent of € 1,000 at the time of the issue of the Notes.
<b>Maturities</b>	Such maturities as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws



or regulations applicable to the Issuer or the relevant Specified Currency.

**Fixed Rate Notes**

Fixed Rate Notes bear a fixed interest income throughout the entire term of the Notes. Fixed interest will be payable on such basis as may be agreed between the Issuer and the relevant Dealer(s), as specified in the applicable Final Terms.

**Floating Rate Notes**

Floating Rate Notes will bear interest at a reference interest rate determined (and as adjusted for any applicable margin):

- on the same basis as the floating rate under a notional interest rate swap transaction in the relevant specified currency governed by an agreement incorporating the 2000 ISDA Definitions (as published by the International Swap and Derivatives Association, Inc., and as amended and updated as at the date on which the first tranche of the Notes of the relevant Series is issued),
- on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service, or
- on such other basis as indicated in the applicable Final Terms.

The margin, if any, relating to such floating rate will be indicated in the applicable Final Terms for each Series of Floating Rate Notes.

Interest periods for Floating Rate Notes will be one, two, three, six or twelve months or such other period(s) as may be agreed between the Issuer and the relevant Dealer(s), (as specified in the applicable Final Terms).

**Structured Floating Rate Notes**

A Floating Rate Note may include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features.

**Inverse Floating Rate Notes**

Inverse Floating Rate Notes (also called Reverse Floating Rate Notes) have an interest rate which is determined as the difference between a fixed interest rate and a floating rate reference rate such as the Euro Interbank Offered Rate (EURIBOR) or the London Interbank Offered Rate (LIBOR).

**Fixed to Floating Rate Notes**

Fixed to floating rate Notes may bear interest at a rate which may be converted from a fixed rate to a floating rate, or from a floating rate to a fixed rate.

**Step-Up and Step-Down Notes**

Interest rates on Step-up Notes increase over the years, interest on Step-down Notes decrease over the years. The dates on which interest increases or decreases, respectively, and the interest rates are predetermined. There are also combinations of Step-up and Step-down Notes, whereby the predetermined interest rate may increase or decrease from one year to another.

**Instalment Notes**

Instalment Notes are Notes, where payment of principal is made in instalments. Instalment will be made as the Issuer and the relevant Dealer(s) may agree (as specified in the applicable Final Terms).

**Index-linked Notes**

Index-linked Notes may be issued as Index-linked Interest Notes or Index-linked Redemption Notes or a combination of both.

**Index-linked Interest Notes**

Payments of interest in respect of Index-linked Interest Notes will be made by reference to a single index or other factors (including changes in the price of securities and commodities or movements in exchange rates) and/or such formula as may be specified by the Issuer and the

	relevant Dealer(s) (as indicated in the applicable Final Terms).
<b>Index-linked Redemption Notes</b>	Payments of principal in respect of Index-linked Redemption Notes will be calculated by reference to a single index or other factors (including changes in the price of securities and commodities or movements in exchange rates) and/or such formula as may be specified by the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms). Each nominal amount of Index-linked Notes equal to the denomination specified in the applicable Final Terms will be redeemed by payment of the redemption amount specified in or as determined pursuant to provisions in the applicable Final Terms.
<b>Other provisions in relation to Floating Rate Notes and Index-linked Interest Notes</b>	<p>Floating Rate Notes and Index-linked Interest Notes may also have a maximum interest rate ("Cap"), a minimum interest rate ("Floor") or both.</p> <p>Interest on Floating Rate Notes and Index-linked Interest Notes in respect of each Interest Period, as selected prior to issue by the Issuer and the relevant Dealer(s), will be payable on such Interest Payment Dates specified in, or determined pursuant to, the applicable Final Terms and will be calculated as specified in the applicable Final Terms.</p>
<b>Dual Currency Notes</b>	Dual Currency Notes are Notes, where payment of principal and/or payment of interest can be made in different currencies. Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer(s) may agree as indicated in the applicable Final Terms.
<b>Zero Coupon Notes</b>	Zero Coupon Notes will be offered and sold at a discount to their principal amount and will not bear interest other than in the case of late payment.
<b>Credit-linked Notes</b>	Credit-linked Notes may be issued relating to one or more reference entities (as specified in the applicable Final Terms). Such Notes may be redeemed prior to their scheduled maturity, and at less than their principal amount on the occurrence of a credit event (as specified in the applicable Final Terms) and interest on such Notes may cease to accrue prior to the scheduled maturity of such Notes or may, due to potential principal reductions, be reduced on the occurrence of such credit event. On the occurrence of a credit event and if so specified in the applicable Final Terms, such Notes may be redeemed by settlement in the form of physical delivery of certain assets.
<b>Other Notes</b>	Notes may be of any other type of security which the Issuer and the relevant Dealer(s) may agree. The terms governing such Notes will be specified in the applicable Final Terms.
<b>Redemption</b>	<p>The applicable Final Terms will indicate either that the Notes cannot be redeemed prior to their stated maturity (except for taxation reasons, or, in the case of Senior Notes only, upon the occurrence of an event of default) or that such Notes will be redeemable at the option of the Issuer and/or the Holders upon giving notice within the notice period (if any) specified in the applicable Final Terms to the Holders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as specified in the applicable Final Terms.</p> <p>Pfandbriefe will not in any event be capable of being redeemed prior to their stated maturity for taxation reasons or at the option of their Holders.</p> <p>Any Notes, the proceeds of which are to be accepted by the Issuer in the</p>

United Kingdom, which must be redeemed before the first anniversary of their date of issue shall (a) have a redemption value of not less than £ 100,000 (or an amount of equivalent value denominated wholly or partly in a currency other than Sterling), and (b) provide that no part of any such Note may be transferred unless the redemption value of that part is not less than £ 100,000 (or such an equivalent amount).

**Taxation**

All amounts payable in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction at source by or on behalf of the Federal Republic of Germany, or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will (if this is provided for in the Terms and Conditions) pay such additional amounts as shall be necessary in order that the net amounts received by the Holders after such withholding or deduction shall equal the respective amounts which the Holder would otherwise have received in the absence of such withholding or deduction, subject to the exemptions set out in the Terms and Conditions.

Pfandbriefe will not provide for the obligation of the Issuer to pay such additional amounts in the event of taxes or duties being withheld or deducted from payments of principal or interest as aforesaid.

**Early Redemption for Taxation Reasons**

Early redemption for taxation reasons will be permitted if, as a result of any change in, or amendment to the tax laws or regulations (including any change in, or amendment to, an official interpretation or application of such laws or regulations) of the Federal Republic of Germany, the Issuer is required to pay additional amounts on the Notes.

Pfandbriefe will not be subject to early redemption for taxation reasons.

**Status of the Notes**

The Senior Notes will constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer.

The Pfandbriefe will constitute unsubordinated obligations ranking *pari passu* without any preference among themselves and (i) in the case of Public-Sector Pfandbriefe *pari passu* with all other obligations of Essen Hyp under Public-Sector Pfandbriefe and (ii) in the case of Mortgage Pfandbriefe *pari passu* with all other obligations of Essen Hyp under Mortgage Pfandbriefe. Pfandbriefe are covered, however, by a separate pool of public-sector loans (in the case of Public Pfandbriefe) or mortgage loans (in the case of Mortgage Pfandbriefe).

Subordinated Notes will constitute unsecured and subordinated obligations of the Issuer ranking *pari passu* without any preference among themselves and *pari passu* with all other subordinated obligations of the Issuer. In the event of the dissolution, liquidation or insolvency of the Issuer, such obligations will be subordinated to the claims of all unsubordinated creditors of the Issuer.

**Negative Pledge**

The Terms and Conditions of the Notes will not provide for a negative pledge provision.

**Events of Default and Cross Default**

The Senior Notes (excluding Pfandbriefe) will provide for events of default entitling the Holders of the Notes to demand immediate redemption. Pfandbriefe and Subordinated Notes will not provide for any event of default entitling Holders to demand immediate redemption. Neither the Terms and Conditions of the Notes (excluding Pfandbriefe)

nor the Terms and Conditions of Pfandbriefe will provide for a cross-default.

**Governing Law**

German law.

**Place of Performance and Place of Jurisdiction**

Place of performance: Essen.

Non-exclusive place of jurisdiction: Essen.

In the case of Pfandbriefe, such place of jurisdiction is exclusive for legal proceedings brought by merchants (*Kaufleute*) and certain other entities.

**SUMMARY REGARDING PARTICIPATION CERTIFICATES**

**Form of Participation Certificates**

Participation Certificates are issued in bearer form only.

**Nature of Participation Certificates**

The Participation Certificates represent creditor's rights, which do not include any shareholder rights, in particular no attendance, participation or voting rights at the shareholder's meetings of Essen Hyp.

**Distribution**

Holders of Participation Certificates are entitled to receive out of the balance sheet profit during the term of the Participation Certificates an annual distribution ranking senior to the dividend claims of the shareholders of the Issuer at the rate specified in the applicable Final Terms.

The distributions shall not be payable to the extent that such payment would cause a balance sheet loss (*Bilanzverlust*) with the Issuer. Replenishment obligations may exist if Essen Hyp records balance sheet profit during the term of the Participation Certificates.

**Participation in Balance Sheet Losses**

Should a loss be recorded in the balance sheet of the Issuer or if the registered share capital of the Issuer is reduced to compensate losses, the claim for repayment by the Holders of Participation Certificates shall be reduced.

If the Issuer records annual net income in the fiscal years following the participation in the balance sheet loss, such annual net income is to be used, after allocation of any amounts required by law to replenish legal reserves, to increase the claims for repayment of principal up to the nominal amount of the Participation Certificates prior to making distributions on Participation Certificates or an appropriation of profit.

**Subordination**

Any claims arising from the Participation Certificates will be subordinated to all other unsubordinated claims of any other creditors of the Issuer.

**Governing Law**

German law.

**Place of Performance and Jurisdiction**

Place of performance: Essen.

Non-exclusive place of jurisdiction: Essen.

Such place of jurisdiction is exclusive for legal proceedings brought by merchants (*Kaufleute*) and certain other entities.

## SUMMARY OF RISK FACTORS

### Risk Factors regarding the Issuer

The principal risks to which Essen Hyp is exposed are categorised in the following groups:

- Market risks
  - Interest rate risks
  - Spread risks
- Liquidity risks
- Credit risks
  - Counterparty risks
- Operational risks

For more information on each of these risks see "Risk factors in respect of Hypothekbank in Essen AG".

### Risk Factors regarding the Notes

*Notes may not be a suitable Investment for all Investors*

A potential investor should not invest in Notes which are complex financial Notes unless the investor has the expertise (either alone or with a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

#### *Liquidity Risk*

There can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor might not be able to sell his Notes at any time at a fair market price. The possibility to sell the Notes might additionally be restricted by country-specific reasons.

#### *Market Price Risk*

The holder of a Note (the "**Holder**") is exposed to the risk of an unfavourable development of market prices of his Notes which materialises if the Holder sells the Notes prior to the final maturity of such Notes.

#### *Risk of potential Conflicts of Interest*

In case of Notes linked to an underlying, the Issuer, each Dealer or any of their respective affiliates may from time to time engage in transactions relating to such underlying which could create conflicts of interest and may have a negative impact on the underlying value.

#### *Risk of Early Redemption*

If the Issuer has the right to redeem the Notes prior to maturity or if the Notes are redeemed prior to maturity due to the occurrence of an event set out in the Terms and Conditions of the Notes, a Holder of such Notes is exposed to the risk that due to early redemption his investment will have a lower than expected yield.

#### *Currency Risk/Dual Currency Notes*

A Holder of a Note denominated in a foreign currency and a Holder of a dual currency Note is exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes.

### *Fixed Rate Notes*

A Holder of fixed rate Notes is exposed to the risk that the price of such Fixed Rate Notes falls as a result of changes in the Market Interest Rate.

### *Floating Rate Notes*

The 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 profitability of Floating Rate Notes in advance. Floating Rate Notes may include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features. In addition, Floating Rate Notes may be issued as Inverse Floating Rate Notes. The market value of such structured Floating Rate Notes tend to be more volatile than the market value of conventional Floating Rate Notes.

### *Fixed to Floating Rate Notes*

Fixed to Floating Rate Notes bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed to Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes relating to the same reference rate. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing interest rates payable on its Notes.

### *Zero Coupon Notes*

The Holder of a Zero Coupon Note is exposed to the risk that the price of such Note falls as a result of changes in the current interest rate on the capital market ("**Market Interest Rate**"). Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to Market Interest Rate changes than interest bearing Notes with a similar maturity.

### *Index-linked Notes*

The Holder of an Index-linked Interest Note is exposed to the risk of fluctuating interest rate levels and/or uncertainty with respect to the interest income and may receive no interest at all. The yield of an Index-linked Interest Note may even be negative. A Holder of an Index-linked Redemption Note is exposed to uncertainty with respect to the repayment amount. The yield of an Index-linked Redemption Note may be negative and an investor might lose the value of its entire investment or parts of it. Uncertainty with respect to interest and repayment amount makes it impossible to determine the yield of Index-linked Notes in advance. The more volatile the relevant index, the greater the uncertainty of interest income and redemption amount.

### *Structured Notes*

An investment in Notes, the premium and/or the interest on and/or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices of formulae, either directly, indirectly or inversely ("**Structured Notes**"), may entail significant risks not associated with similar investments in a conventional debt security, including the risk that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor could lose all or a substantial portion of principal of its Structured Notes.

### *Risks in connection with Caps*

The yield of Notes with a cap can be considerably lower than that of similar structured Notes without a cap.

### *Credit Linked Notes*

The Holder of a Credit Linked Note is exposed to the credit risk of the Issuer and that of one or more reference entities (as specified in the applicable Final Terms). There is no guarantee that the Holder of such Credit Linked Note will receive the full principal amount of such Notes and interest thereon and ultimately the obligations of the Issuer to pay principal under the Notes may even be reduced to zero.

### *Subordinated Notes*

In the event of the liquidation, insolvency, composition or other proceedings for the avoidance of insolvency of or against the Issuer, such obligations will be subordinated to the claims of all unsubordinated creditors of the Issuer so that in any such event no amounts will be payable under such obligations until the claims of all unsubordinated creditors of the Issuer will have been satisfied in full.

### *Participation Certificates*

A Holder of Participation Certificates is exposed to the risk (i) that he will receive less distributions or no distributions at all and/or that the distributions will be made at a later point in time than expected (distribution risk), (ii) of a reduction of the repayment amount of his Participation Certificates and/or (iii) that, in the event of any insolvency proceedings over the assets or the liquidation of the Issuer, payments on the Participation Certificates will not be made until all other unsubordinated creditors are satisfied.

## **SUMMARY REGARDING THE ISSUER**

Essen Hyp was established on 30 September 1986 and is registered under number HRB 7083 in the commercial register of the lower regional court (*Amtsgericht*) of Essen. The registered office is located in Essen and its head office is at Gildehofstraße 1, 45127 Essen, Federal Republic of Germany.

Essen Hyp is part of the Commerzbank Group, a group of financial institutions led by Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany ("**Commerzbank AG**"). Commerzbank AG holds 51 per cent. of the shares in Essen Hyp, the remaining 49 per cent. of the shares are held by the Schuppli Group.

Essen Hyp's core business is the capital market business. To a lesser extent, Essen Hyp also engages in mortgage lending. Main products are public-sector and mortgage Pfandbriefe, unsecured bonds and promissory notes. The principal markets of Essen Hyp are the Federal Republic of Germany, Europe, North America and Asia.

## GERMAN TRANSLATION OF THE SUMMARY

Der folgende Abschnitt stellt die Zusammenfassung der wesentlichen Merkmale und Risiken der Emittentin und der Schuldverschreibungen, die unter dem Programm begeben werden, dar. Die Zusammenfassung ist als Einleitung zum Prospekt zu verstehen. Der Anleger sollte jede Entscheidung zur Anlage in die betreffende Tranche von Schuldverschreibungen auf die Prüfung des gesamten Prospekts, einschließlich der durch Verweis einbezogenen Dokumente, etwaiger Nachträge und der Endgültigen Bedingungen stützen. Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in einem Prospekt durch Verweis einbezogenen Dokumente, etwaiger Nachträge sowie den in den jeweiligen Endgültigen Bedingungen enthaltenen Informationen geltend gemacht werden, könnte der klagende Anleger aufgrund einzelstaatlicher Rechtsvorschriften die Kosten für eine Übersetzung des Prospekts, der durch Verweis einbezogenen Dokumente, etwaiger Nachträge und der Endgültigen Bedingungen in die Gerichtssprache vor Prozessbeginn zu tragen haben. Die Emittentin, die die Zusammenfassung einschließlich einer Übersetzung davon vorgelegt hat und deren Notifizierung beantragt hat oder beantragen wird, kann haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit anderen Teilen des Prospekts gelesen wird.

Die nachstehende Zusammenfassung ist keine vollständige Darstellung. Sie ist im Zusammenhang mit dem Prospekt sowie, in Bezug auf die Emissionsbedingungen einzelner Tranchen von Schuldverschreibungen, mit den maßgeblichen Endgültigen Bedingungen zu lesen.

### ZUSAMMENFASSUNG BEZÜGLICH DER SCHULDVERSCHREIBUNGEN (AUSGENOMMEN GENUSSSCHEINE)

<b>Form der Schuldverschreibungen</b>	Schuldverschreibungen dürfen nur als Inhaberpapiere ausgegeben werden. Globalpfandbriefe dürfen auch als Namenspapiere ausgegeben werden.
<b>Pfandbriefe</b>	<p>Schuldverschreibungen können im Rahmen des Programms als Hypothekendarlehenpfandbriefe oder Öffentliche Pfandbriefe ausgegeben werden.</p> <p>Das Programm sieht außerdem die Begebung von Globalpfandbriefen vor, die in Transaktionen außerhalb der Vereinigten Staaten von Amerika gemäß <i>Regulation S</i> des <i>Securities Act</i> und innerhalb der Vereinigten Staaten von Amerika nur an "qualified institutional buyers" gemäß der Ausnahmen von den Registrierungserfordernissen des <i>Securities Act</i>, die Regel 144A des <i>Securities Act</i> vorsieht, angeboten und verkauft werden können.</p> <p>Pfandbriefe bilden Rückgriffsverbindlichkeiten der Essen Hyp. Sie sind durch getrennte Deckungsmassen, bestehend aus Hypothekendarlehenkrediten (im Fall von Hypothekendarlehenpfandbriefen) bzw. öffentlichen Krediten (im Fall von Öffentlichen Pfandbriefen) gesichert bzw. "gedeckt"; dies, richtet sich, nach dem Pfandbriefgesetz und wird von einem unabhängigen Treuhänder, der von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellt wird, überwacht.</p>
<b>Festgelegte Währungen</b>	Vorbehaltlich der Einhaltung aller anwendbaren gesetzlichen oder regulatorischen Beschränkungen sowie Anforderungen der betreffenden Zentralbanken können die Schuldverschreibungen in Euro oder jeder anderen Währung begeben werden, die zwischen der Emittentin und den jeweiligen Plazeur(en) vereinbart wird.
<b>Stückelungen der Schuldverschreibungen</b>	Die Schuldverschreibungen werden in den Stückelungen begeben, die zwischen der Emittentin und den jeweiligen Plazeur(en) vereinbart werden, mit der Maßgabe, dass die Mindeststückelung der Schuldverschreibungen € 1.000 betragen wird, bzw., falls die



Schuldverschreibungen auf eine andere Wahrung lauten, einen Betrag in dieser anderen Wahrung, der zur Zeit der Begebung der Schuldverschreibungen dem Gegenwert von € 1.000 entspricht oder diesen ibersteigt.

**Laufzeiten**

Die Laufzeiten der Schuldverschreibungen werden jeweils zwischen der Emittentin und den jeweiligen Plazeur(en) vereinbart und in den mageblichen Endgultigen Bedingungen angegeben, allerdings vorbehaltlich der Mindest- oder Hochstlaufzeiten, die jeweils seitens der betreffenden Zentralbank, Wahrungs- oder sonstiger Aufsichtsbehorden oder gema den fur die Emittentin oder die Relevante Wahrung geltenden Gesetzen und Vorschriften zulassig oder erforderlich sind.

**Festverzinsliche Schuldverschreibungen**

Festverzinsliche Schuldverschreibungen verbriefen einen festen Zinsertrag iber die gesamte Laufzeit der Schuldverschreibungen. Der Festzins wird auf der Basis fallig wie zwischen der Emittentin und den jeweiligen Plazeur(en) vereinbart (wie in den mageblichen Endgultigen Bedingungen angegeben).

**Variabel verzinsliche Schuldverschreibungen**

Variabel verzinsliche Schuldverschreibungen werden mit einem Referenzzinssatz verzinst (angepasst um eine ggf. anwendbare Marge):

- der dem variablen Zinssatz einer angenommenen (Referenz-) Zins-Swap-Transaktion in der betreffenden festgelegten Wahrung entspricht, die durch einen Vertrag geregelt wird, welcher die 2000 ISDA Definitionen einbezieht (die von der International Swaps and Derivatives Association, Inc. veroffentlicht wurden, und zwar in der zum Datum der ersten Tranche der Schuldverschreibungen der betreffenden Serie geltenden ggf. geanderten Fassung),
- der auf einem Referenzzinssatz basiert, der auf einer vereinbarten Bildschirmseite eines Kursdienstes angezeigt wird, oder
- auf anderer in den mageblichen Endgultigen Bedingungen angegebenen Basis.

Eine etwaige Marge in Bezug auf einen solchen variablen Zinssatz wird fur jede Tranche von variabel verzinslichen Schuldverschreibungen in den anwendbaren Endgultigen Bedingungen angegeben.

Die Zinsperioden fur variabel verzinsliche Schuldverschreibungen umfassen einen, zwei, drei, sechs oder zwolf Monate bzw. einen oder mehrere andere zwischen der Emittentin und den jeweiligen Plazeur(en) vereinbarte Zeitraume (wie in den Endgultigen Bedingungen festgelegt).

**Strukturierte Variabel verzinsliche Schuldverschreibungen**

Variabel verzinsliche Schuldverschreibungen konnen mit Multiplikatoren oder anderen Hebelfaktoren sowie mit Zinsober- und Zinsuntergrenzen oder einer Kombination dieser Merkmale oder mit ahnlichen Merkmalen ausgestattet sein.

**Inverse / Reverse Floater**

Inverse Floater (auch Reverse Floater genannt) werden mit einem Zinssatz verzinst, welcher aus der Differenz zwischen einem festen Zinssatz und einem variablen Zinssatz wie dem "Euro Interbank Offered Rate" (EURIBOR) oder dem "London Interbank Offered Rate" (LIBOR) bestimmt wird.

**Fest- zu variabel-verzinsliche Schuldverschreibungen**

Fest- zu variabel verzinsliche Schuldverschreibungen werden mit einem Zinssatz verzinst, der von einem festen zu einem variablen Zinssatz bzw. von einem variablen zu einem festen Zinssatz gewandelt werden kann.

**Step-Up- und Step-Down-**

Die Zinssatze von Step-Up-Schuldverschreibungen steigen im Laufe der Jahre wahrend die Zinssatze bei Step-Down-Schuldverschreibungen

<b>Schuldverschreibungen</b>	über die Jahre sinken. Die jeweiligen Zeitpunkte, zu denen ein Anstieg bzw. ein Absenken der Zinssätze erfolgt, sowie der jeweilige Zinssatz werden vorab festgelegt. Es gibt außerdem Kombinationen aus Step-Up- und Step-Down-Schuldverschreibungen, bei denen der vorab festgelegte Zinssatz von einem zum anderen Jahr steigen oder sinken kann.
<b>Raten-Schuldverschreibungen</b>	Raten-Schuldverschreibungen sind Schuldverschreibungen, bei denen die Kapitalzahlung in Raten erfolgt. Die Zahlung von Raten erfolgt wie zwischen der Emittentin und den jeweiligen Plazeur(en) vereinbart (und in den maßgeblichen Endgültigen Bedingungen angegeben).
<b>Indexierte Schuldverschreibungen</b>	Indexierte Schuldverschreibungen können in Form von Schuldverschreibungen mit indexabhängiger Verzinsung oder Schuldverschreibungen mit indexabhängiger Rückzahlung oder als Kombination dieser beiden Formen begeben werden.
<b>Schuldverschreibungen mit indexabhängiger Verzinsung</b>	Zinszahlungen auf Schuldverschreibungen mit indexabhängiger Verzinsung erfolgen auf Basis eines einzelnen Indizes oder anderer Faktoren (einschließlich Kurs- bzw. Preisänderungen von Wertpapieren und Waren oder Wechselkursbewegungen) und/oder auf Basis einer von der Emittentin und den jeweiligen Plazeur(en) festgelegten Formel (wie in den maßgeblichen Endgültigen Bedingungen angegeben).
<b>Schuldverschreibungen mit indexabhängiger Rückzahlung</b>	Kapitalzahlungen in Bezug auf Schuldverschreibungen mit indexabhängiger Rückzahlung werden auf Basis eines einzelnen Indizes oder anderer Faktoren (einschließlich Kurs- bzw. Preisänderungen von Wertpapieren und Waren oder Wechselkursbewegungen) und/oder auf Basis einer von der Emittentin und den jeweiligen Plazeur(en) festgelegten Formel berechnet (wie in den maßgeblichen Endgültigen Bedingungen angegeben). Die Rückzahlung jedes Nennbetrages einer Schuldverschreibung mit indexabhängiger Rückzahlung in Höhe der in den maßgeblichen Endgültigen Bedingungen festgelegten Stückelung, erfolgt in Höhe des Rückzahlungsbetrages, der in den maßgeblichen Endgültigen Bedingungen angegeben ist oder gemäß den darin enthaltenen Bestimmungen ermittelt wird.
<b>Andere Bestimmungen in Bezug auf variabel verzinsliche Schuldverschreibungen und Schuldverschreibungen mit indexabhängiger Verzinsung</b>	Für variabel verzinsliche Schuldverschreibungen und Schuldverschreibungen mit indexabhängiger Verzinsung kann ein Höchstzinssatz ("Cap"), ein Mindestzinssatz ("Floor") oder beides festgelegt sein.  Zinsen auf variabel verzinsliche Schuldverschreibungen und Schuldverschreibungen mit indexabhängiger Verzinsung sind in Bezug auf jede vor Ausgabe der Schuldverschreibungen jeweils zwischen der Emittentin und den jeweiligen Plazeur(en) bestimmten Zinsperiode an den Zinszahlungstagen fällig, die in den maßgeblichen Endgültigen Bedingungen angegeben oder gemäß diesen Bedingungen bestimmt werden, und gemäß den maßgeblichen Endgültigen Bedingungen zu berechnen.
<b>Doppelwährungs-Schuldverschreibungen</b>	Doppelwährungs-Schuldverschreibungen sind Schuldverschreibungen, bei denen die Kapitalzahlung und/oder die Zinszahlung in unterschiedlichen Währungen erfolgen kann. Zahlungen (von Zinsen oder Kapital, sei es zum Rückzahlungstag oder zu einem anderen Zeitpunkt) auf Doppelwährungs-Schuldverschreibungen erfolgen in der Währung und auf der Grundlage der Wechselkurse, die zwischen der Emittentin und den jeweiligen Plazeur(en) vereinbart werden (wie in den anwendbaren Endgültigen Bedingungen angegeben).
<b>Nullkupon-</b>	Nullkupon-Schuldverschreibungen werden mit einem Abschlag auf ihren

<b>Schuldverschreibungen</b>	Nennbetrag angeboten und verkauft und nicht verzinst (außer im Falle von Zahlungsverzug).
<b>Credit Linked Schuldverschreibungen</b>	Credit Linked Schuldverschreibungen können mit Bezug auf ein oder mehrere Bezugsunternehmen (wie in den anwendbaren Endgültigen Bedingungen angegeben) begeben werden. Solche Schuldverschreibungen können vor ihrem festgelegten Endfälligkeitstag und bei Eintritt eines Kreditereignisses zu einem geringeren Betrag als ihrem Nennbetrag zurückgezahlt werden (wie in den anwendbaren Endgültigen Bedingungen angegeben). Bei Eintritt eines Kreditereignisses kann der Zinslauf vor dem festgelegten Endfälligkeitstag solcher Schuldverschreibungen beendet oder, aufgrund einer möglichen Herabsetzung des Nennbetrags, verringert sein. Bei Eintritt eines Kreditereignisses und sofern in den anwendbaren Bedingungen angegeben, können derartige Schuldverschreibungen zurückgezahlt werden in Form der physischen Lieferung bestimmter Vermögensgegenstände.
<b>Sonstige Schuldverschreibungen</b>	Schuldverschreibungen können in jeder anderen von der Emittentin und den jeweiligen Plazeur(en) festgelegten Wertpapierform begeben werden. Die jeweiligen Bedingungen dieser Schuldverschreibungen werden in den maßgeblichen Endgültigen Bedingungen festgelegt.
<b>Rückzahlung</b>	<p>In den maßgeblichen Endgültigen Bedingungen ist entweder festgelegt, dass die Schuldverschreibungen vor Ablauf ihrer festgelegten Laufzeit nicht rückzahlbar sind (es sein denn aus steuerlichen Gründen, sofern in den maßgeblichen Endgültigen Bedingungen vorgesehen, bzw. bei Nicht-Nachrangigen-Schuldverschreibungen nur bei Eintritt eines Kündigungsereignisses), oder dass die Schuldverschreibungen nach Wahl der Emittentin und/oder der Gläubiger unter Einhaltung einer in den Endgültigen Bedingungen festgelegten Frist gegenüber den Gläubigern bzw. der Emittentin kündbar (rückzahlbar) sind, und zwar zu dem(n) Zeitpunkt(en) vor der angegebenen Fälligkeit und zu dem(n) Preis(en), wie diese jeweils in den maßgeblichen Endgültigen Bedingungen festgelegt sind.</p> <p>Pfandbriefe können in keinem Fall vor Ablauf ihrer angegebenen Laufzeit aus steuerlichen Gründen oder nach Wahl der Gläubiger zurückgezahlt werden.</p> <p>Schuldverschreibungen, deren Emissionserlös von der Emittentin im Vereinigten Königreich empfangen werden soll, und die innerhalb von einem Jahr nach ihrem Begebungstag zurückgezahlt werden sollen, werden (a) einen Rückzahlungsbetrag von nicht weniger als £ 100.000 (oder dessen Gegenwert ausgedrückt teilweise oder vollständig in einer anderen Währung als Pfund Sterling) vorsehen und (b) vorsehen, dass kein Teil einer solchen Schuldverschreibung übertragen werden darf, es sei denn, der Rückzahlungsbetrag dieses Teils beträgt nicht weniger als £ 100.000 (oder dessen Gegenwert).</p>
<b>Besteuerung</b>	Sämtliche auf die Schuldverschreibungen zahlbaren Beträge an Kapital oder Zinsen werden ohne die Einbehaltung von Quellensteuern oder sonstigen Steuerabzug durch oder namens der Bundesrepublik Deutschland bzw. ihrer zur Erhebung von Abgaben autorisierten Gebietskörperschaften und Behörden gezahlt, es sei denn ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In einem solchen Fall wird die Emittentin, sofern in den Emissionsbedingungen vorgesehen, zusätzliche Beträge in der Höhe leisten, die notwendig ist, um zu gewährleisten, dass die von den Gläubigern unter Berücksichtigung eines solchen Einbehalts oder Abzugs erhaltenen Beträge den Beträgen entsprechen, die die Gläubiger ohne einen

solchen Einbehalt oder Abzug erhalten hätten, vorbehaltlich der in den Emissionsbedingungen angeführten Ausnahmen.

Bei Pfandbriefen ist die Emittentin nicht zur Zahlung von zusätzlichen Beträgen bei Steuerabzug oder -einbehalt in Bezug auf Zins- oder Kapitalzahlungen wie vorstehend beschrieben verpflichtet.

**Vorzeitige Rückzahlung aus Steuergründen**

Die vorzeitige Rückzahlung der Schuldverschreibungen aus steuerlichen Gründen ist zulässig, falls als Folge einer Änderung oder Ergänzung der Gesetze oder Vorschriften in der Bundesrepublik Deutschland (einschließlich einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze oder Vorschriften) die Emittentin zur Zahlung zusätzlicher Beträge auf die Schuldverschreibungen verpflichtet ist.

Bei Pfandbriefen ist keine vorzeitige Rückzahlung aus Steuergründen vorgesehen.

**Status der Schuldverschreibungen**

Nicht-nachrangige-Schuldverschreibungen bilden unbesicherte nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen gegenwärtigen und künftigen, unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind.

Die Pfandbriefe bilden nicht nachrangige Verbindlichkeiten, die untereinander gleichrangig sind und (i) im Falle von Öffentlichen Pfandbriefen, mit allen anderen Verbindlichkeiten der Essen Hyp aus den Öffentlichen Pfandbriefen und (ii) im Falle von Hypothekenpfandbriefen, mit allen anderen Verbindlichkeiten der Essen Hyp aus den Hypothekenpfandbriefen gleichrangig sind. Pfandbriefe werden durch eine separate Deckungsmasse von öffentlichen Krediten (im Falle der Öffentlichen Pfandbriefe) bzw. von Hypothekenkrediten (im Falle von Hypothekenpfandbriefen) gedeckt.

Nachrangige Schuldverschreibungen bilden unbesicherte und nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind. Im Falle der Auflösung, Liquidation oder Insolvenz der Emittentin sind diese Verbindlichkeiten nachrangig zu den Ansprüchen aller nicht nachrangigen Gläubiger der Emittentin.

**Negativverpflichtung**

In den Emissionsbedingungen der Schuldverschreibungen ist keine Negativverpflichtung vorgesehen.

**Kündigungsgründe und Drittverzug**

Für die nicht-nachrangigen-Schuldverschreibungen (außer Pfandbriefe) werden Kündigungsgründe definiert, die die Gläubiger berechtigen, die unverzügliche Rückzahlung der Schuldverschreibungen zu verlangen.

Für die Pfandbriefe und die nachrangigen Schuldverschreibungen sind keine Kündigungsgründe vorgesehen, die die Gläubiger berechtigen, die unverzügliche Rückzahlung der Schuldverschreibungen zu verlangen.

Weder die Emissionsbedingungen der Schuldverschreibungen (außer Pfandbriefe) noch die Emissionsbedingungen der Pfandbriefe enthalten Drittverzugsklauseln.

**Geltendes Recht**

Deutsches Recht.

**Erfüllungsort und Gerichtsstand**

Erfüllungsort: Essen

Nicht ausschließlicher Gerichtsstand für alle gerichtlichen Verfahren: Essen.

Dieser Gerichtsstand ist ausschließlich für Verfahren, die von Kaufleuten

und bestimmten anderen Personen angestrengt werden.

## ZUSAMMENFASSUNG BEZÜGLICH DER GENUSSSCHEINE

<b>Form der Schuldverschreibungen</b>	Genussscheine werden ausschließlich als Inhaberpapiere begeben.
<b>Abgrenzung von Gesellschaftsrechten</b>	Die Genussscheine verbriefen Gläubigerrechte, die keine Gesellschafterrechte, insbesondere keine Teilnahme-, Mitwirkungs- und Stimmrechte in den Hauptversammlungen der Essen Hyp beinhalten.
<b>Ausschüttungen</b>	<p>Gläubiger von Genussscheinen sind während der Laufzeit des Genussscheins zum Erhalt einer jährlichen Ausschüttung aus dem Bilanzgewinn zu dem in den Endgültigen Bedingungen festgelegten Satz berechtigt; dieses Recht ist vorrangig zu den Dividendenansprüchen der Aktionäre von Essen Hyp.</p> <p>Die Ausschüttungen sind dadurch begrenzt, dass durch sie kein Bilanzverlust bei der Essen Hyp entstehen darf.</p>
<b>Beteiligung an Bilanzverlusten</b>	<p>Wird in der Bilanz der Essen Hyp ein Bilanzverlust ausgewiesen oder das Grundkapital der Essen Hyp zur Deckung von Verlusten herabgesetzt, vermindert sich der Rückzahlungsanspruch jedes Genussscheininhabers. Nachzahlungsverpflichtungen können bestehen, sofern die Essen Hyp während der Laufzeit der Genussscheine einen Bilanzgewinn ausweist.</p> <p>Erzielt Essen Hyp nach einer Teilnahme der Genussscheininhaber am Verlust in den folgenden Geschäftsjahren Jahresüberschüsse, so sind aus diesen – nach der gesetzlich vorgeschriebenen Wiederauffüllung der gesetzlichen Rücklage – die Rückzahlungsansprüche bis zum Nennbetrag der Genussscheine zu erhöhen, bevor eine anderweitige Verwendung der Jahresüberschüsse vorgenommen wird. Diese Verpflichtung besteht nur während der Laufzeit der Genussscheine.</p>
<b>Nachrang</b>	Alle Ansprüche aus den Genussscheinen sind nachrangig zu allen anderen nicht nachrangigen Ansprüchen anderer Gläubiger von Essen Hyp.
<b>Geltendes Recht</b>	Deutsches Recht.
<b>Erfüllungsort und Gerichtsstand</b>	<p>Erfüllungsort: Essen</p> <p>Nicht ausschließlicher Gerichtsstand für alle gerichtlichen Verfahren: Essen.</p> <p>Dieser Gerichtsstand ist ausschließlich für Verfahren, die von Kaufleuten und bestimmten anderen Personen angestrengt werden.</p>

## ZUSAMMENFASSUNG DER RISIKOFAKTOREN

### Zusammenfassung der die Emittentin betreffenden Risikofaktoren

Die wesentlichen Risiken, denen die Essen Hyp ausgesetzt ist, gliedern sich in die folgenden Gruppen:

- Marktrisiken
  - Zinsänderungsrisiken

- Spreadrisiken
- Liquiditätsrisiken
- Kreditrisiken
  - Adressenausfallrisiken
- Operationelle Risiken

Für weitere Informationen zu den einzelnen Risiken wird auf das Kapitel "Risk Factors in respect of Hypothekenbank in Essen" verwiesen.

## **Zusammenfassung der die Schuldverschreibungen betreffenden Risikofaktoren**

### *Schuldverschreibungen als nicht für alle Investoren geeignetes Investment*

Schuldverschreibungen sind komplexe Finanzinstrumente, in die potentielle Anleger nur investieren sollten, wenn sie (selbst oder durch ihre Finanzberater) über die nötige Expertise verfügen, um die Performance der Schuldverschreibungen unter den wechselnden Bedingungen, die resultierenden Wertveränderungen der Schuldverschreibungen sowie die Auswirkungen einer solchen Anlage auf ihr Gesamtportfolio einzuschätzen.

### *Liquiditätsrisiko*

Es besteht keine Gewissheit, dass ein liquider Sekundärmarkt für Schuldverschreibungen entstehen wird, oder sofern er entsteht, dass er fortbestehen wird. In einem illiquiden Markt könnte es sein, dass ein Anleger seine Schuldverschreibungen nicht jederzeit zu angemessenen Marktpreisen veräußern kann. Die Möglichkeit Schuldverschreibungen zu veräußern kann darüber hinaus aus landesspezifischen Gründen eingeschränkt sein.

### *Marktpreisrisiko*

Der Gläubiger einer Schuldverschreibung (der "**Gläubiger**") ist dem Risiko nachteiliger Entwicklungen der Marktpreise seiner Schuldverschreibungen ausgesetzt, welches sich verwirklicht, wenn der Gläubiger seine Schuldverschreibungen vor Endfälligkeit veräußert.

### *Interessenkonflikte*

Bei indexierten oder anderen strukturierten Wertpapieren können die Emittentin und die Platzeure oder mit diesen verbundene Unternehmen Geschäfte mit Bezug auf den diesen Wertpapieren zu Grunde liegenden Basiswert abschließen, die Interessenkonflikte auslösen und einen negativen Einfluss auf den den Wertpapieren zu Grunde liegenden Basiswert haben können.

### *Risiko der vorzeitigen Rückzahlung*

Sofern der Emittentin das Recht eingeräumt wird, die Schuldverschreibungen vor Fälligkeit zurückzuzahlen, ist der Gläubiger solcher Schuldverschreibungen dem Risiko ausgesetzt, dass infolge der vorzeitigen Rückzahlung seine Kapitalanlage eine geringere Rendite als erwartet aufweisen wird.

### *Währungsrisiko/Doppelwährungs-Schuldverschreibungen*

Der Gläubiger einer Schuldverschreibung, die auf eine fremde Währung lautet und der Gläubiger von Doppelwährungs-Schuldverschreibungen sind dem Risiko von Wechselkursschwankungen ausgesetzt, welche den Ertrag solcher Schuldverschreibungen beeinflussen können.

### *Festverzinsliche Schuldverschreibungen*

Der Gläubiger einer festverzinslichen Schuldverschreibung ist dem Risiko ausgesetzt, dass der Kurs einer solchen Schuldverschreibung infolge von Veränderungen des aktuellen Marktzinssatzes fällt.

### *Variabel verzinsliche Schuldverschreibungen*

Der Gläubiger einer variabel verzinslichen Schuldverschreibung ist dem Risiko eines schwankenden Zinsniveaus und ungewisser Zinserträge ausgesetzt. Ein schwankendes Zinsniveau macht es unmöglich, die Rendite von variabel verzinslichen Schuldverschreibungen im Voraus zu bestimmen. Variabel verzinsliche Schuldverschreibungen können mit Multiplikatoren oder anderen Hebelfaktoren sowie mit Zinsober- und Zinsuntergrenzen oder einer Kombination dieser Merkmale oder mit ähnlichen Merkmalen ausgestattet sein. Zusätzlich können variabel verzinsliche Schuldverschreibungen als gegenläufig variabel verzinsliche Schuldverschreibungen begeben werden. Der Kurs solcher Schuldverschreibungen neigt zu größerer Volatilität als bei herkömmlichen Schuldverschreibungen.

### *Fest- zu Variabel-verzinsliche Schuldverschreibungen*

Fest- zu Variabel verzinsliche Schuldverschreibungen werden mit einem Zinssatz verzinst, der von der Emittentin nach ihrer Wahl von einem festen zu einem variablen Zinssatz bzw. von einem variablen zu einem festen Zinssatz gewandelt werden kann. Wechselt die Emittentin von einem festen zu einem variablen Zinssatz, kann die Rendite der Fest- zu Variabel-verzinslichen Schuldverschreibungen niedriger sein als die vorherrschende Rendite vergleichbarer variabel verzinslicher Schuldverschreibungen mit dem selben Referenzzinssatz. Wechselt die Emittentin von einem variablen zu einem festem Zinssatz, kann der feste Zinssatz niedriger sein als der vorherrschende Zinssatz der Schuldverschreibungen der Emittentin.

### *Nullkupon-Schuldverschreibungen*

Der Gläubiger von Nullkupon-Schuldverschreibungen ist dem Risiko ausgesetzt, dass der Kurs einer solchen Schuldverschreibung infolge von Veränderungen des Marktzinssatzes fällt. Kurse von Nullkupon-Schuldverschreibungen sind volatiler als Kurse von festverzinslichen Schuldverschreibungen und reagieren in höherem Maße auf Veränderungen des Marktzinssatzes als verzinsliche Schuldverschreibungen mit einer ähnlichen Laufzeit.

### *Indexierte Schuldverschreibungen*

Der Gläubiger einer Schuldverschreibung mit indexabhängiger Verzinsung ist dem Risiko eines schwankenden Zinsniveaus und/oder Ungewissheit in Bezug auf den Zinsertrag ausgesetzt und wird möglicherweise überhaupt keine Verzinsung erhalten. Die Rendite einer Schuldverschreibung mit indexabhängiger Verzinsung kann negativ sein. Der Gläubiger einer Schuldverschreibung mit indexabhängiger Rückzahlung ist Ungewissheit in Bezug auf den Rückzahlungsbetrag ausgesetzt. Die Rendite einer Schuldverschreibung mit indexabhängiger Rückzahlung kann möglicherweise negativ sein und ein Anleger sein eingezahltes Kapital ganz oder zu einem erheblichen Teil verlieren. Ungewissheit in Bezug auf den Zins- und den Rückzahlungsbetrag macht es unmöglich, die Rendite einer indexierten Schuldverschreibung im Voraus zu bestimmen. Je volatiler der betreffende Index ist, desto größer ist die Ungewissheit in Bezug auf Zinsertrag und Rückzahlungsbetrag.

### *Strukturierte Schuldverschreibungen*

Eine Kapitalanlage in Schuldverschreibungen, bei denen der Aufschlag und/oder der Zins und/oder der Rückzahlungsbetrag unter Bezugnahme einer oder mehrerer Währungen, Rohstoffe, Zinssätze oder anderer Indizes oder Formeln, entweder unmittelbar, mittelbar oder entgegengesetzt, bestimmt wird ("**strukturierte Schuldverschreibungen**"), kann bedeutsame Risiken mit sich bringen, die nicht mit ähnlichen Kapitalanlagen in einen herkömmlichen Schuldtitel verbunden sind, einschließlich des Risikos, dass der resultierende Zinssatz geringer sein wird als der zur gleichen Zeit auf einen herkömmlichen Schuldtitel zahlbare Zinssatz und/oder dass ein Anleger sein eingesetztes Kapital ganz oder zu einem erheblichen Teil verliert.

### *Risiken im Zusammenhang mit Caps (Obergrenzen)*

Die Rendite einer Schuldverschreibung, die mit einem Cap ausgestattet ist, kann wesentlich niedriger ausfallen als bei ähnlich strukturierten Schuldverschreibungen ohne Cap.

### *Credit Linked Schuldverschreibungen*

Der Gläubiger einer Credit Linked Schuldverschreibung ist dem Kreditrisiko der Emittentin und dem einer oder mehrerer Bezugsunternehmen (wie in den anwendbaren Endgültigen Bedingungen angegeben) ausgesetzt. Es gibt keine Gewähr dafür, dass der Gläubiger den Nennbetrag solcher Schuldverschreibungen vollständig zurückerhält oder Zinsen darauf erhält und, im äußersten Fall, könnte die Verpflichtung der Emittentin zur Zahlung von Kapital sogar auf Null reduziert werden.

### *Nachrangige Schuldverschreibungen*

Im Falle der Liquidation oder der Insolvenz der Emittentin oder eines außergerichtlichen Vergleichs- oder eines anderen der Abwendung der Insolvenz dienenden Verfahrens der Emittentin, gehen die Verbindlichkeiten aus den Schuldverschreibungen den Ansprüchen dritter Gläubiger der Emittentin aus nicht nachrangigen Verbindlichkeiten im Range nach, so dass Zahlungen auf die Schuldverschreibungen solange nicht erfolgen, wie die Ansprüche dieser dritten Gläubiger der Emittentin aus nicht nachrangigen Verbindlichkeiten nicht vollständig befriedigt sind.

### *Genussscheine*

Der Gläubiger von Genussscheinen ist dem Risiko ausgesetzt, (i) dass die Ausschüttung geringer als erwartet ausfallen wird oder überhaupt keine Ausschüttung erfolgt oder dass die Ausschüttung zu einem späteren Zeitpunkt als erwartet erfolgt (Ausschüttungsrisiko), (ii) dass sich der Rückzahlungsbetrag der Genussscheine verringert und/oder (iii) dass im Falle der Insolvenz oder der Liquidation der Essen Hyp die Genussscheine erst nach allen nicht nachrangigen Gläubigern bedient werden.

## **ZUSAMMENFASSUNG BEZÜGLICH DER EMITTENTIN**

Die Essen Hyp wurde am 30. September 1986 gegründet und ist unter der Nummer HRB 7083 im Handelsregister beim Amtsgericht Essen eingetragen. Sitz der Bank ist Essen und die Zentrale befindet sich in der Gildehofstraße 1, 45127 Essen, Bundesrepublik Deutschland.

Die Essen Hyp ist Teil der Commerzbank-Gruppe, einer Gruppe von Finanzinstituten, die von der Commerzbank Aktiengesellschaft, Frankfurt am Main, Bundesrepublik Deutschland ("**Commerzbank AG**") geführt wird. Die Commerzbank AG hält 51 % der Aktien an der Essen Hyp; die verbleibenden 49 % der Aktien werden von der Schuppli-Gruppe gehalten.

Die Hauptgeschäftstätigkeit der Essen Hyp ist das Kapitalmarktgeschäft. Zu einem kleineren Teil ist die Essen Hyp auch im Hypothekengeschäft tätig. Hauptprodukte sind öffentliche Pfandbriefe sowie Hypothekenpfandbriefe, unbesicherte Schuldverschreibungen und Schuldscheindarlehen. Hauptmärkte der Essen Hyp sind die Bundesrepublik Deutschland, Europa, Nordamerika und Asien.



## RISK FACTORS

### Risk Factors regarding the Issuer

*The following is a disclosure of the risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes. Prospective investors should consider these risk factors before deciding to purchase Notes issued under the Programme.*

*The following statements are not exhaustive. Furthermore, other risks and aspects may be of significance of which the Issuer currently is not aware or which it does not consider to be material but which may also affect the Issuer's ability to fulfil its obligations under the Notes. Prospective investors should consider all information provided in this Prospectus and consult with their own professional advisers if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus intensify one another.*

Essen Hyp is mainly exposed to market, liquidity and credit risks as well as to operational risks.

#### *Market Risks*

Essen Hyp is subject to market risks, such as interest rate and spread risks. The risk monitoring system of Essen Hyp is designed to quantify and limit these types of risk. This system also takes into consideration extreme and most unlikely market shifts ("stress testing"). As a part of the reporting in accordance with the German Minimum Requirements for Trading Activities (*Mindestanforderungen an den Betreiber von Handelsgeschäften – MaH*), Essen Hyp also complies with the so-called traffic light system of the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*). This traffic light system governs the interest rate risks of mortgage banks.

#### *Liquidity Risks*

As a matter of principle, Essen Hyp's liquidity management complies with the Grundsatz II requirements laid down in the German Banking Act (*Kreditwesengesetz – KWG*). The liquidity management ensures that payment obligations and minimum reserve requirements are met at all times.

Liquidity risks and liquidity requirements are calculated and reported on a daily basis. The Bank makes use of a system which provides detailed information about its liquidity at all times and which can be used for immediate decisions.

The Bank has specified a liquidity strategy, which ensures that potential liquidity risks can be dealt with as soon as they occur. Liquidity is managed in an efficient and prudent way. The Bank continually screens the market environment in order to detect any disruptive factors as soon as they occur.

#### *Credit Risks*

Credit risks, such as counterparty risks, are mitigated by means of credit quality analyses and risk-reducing cash and credit limits. A loan is only granted if and to the extent that the relevant borrower has a certain minimum rating, which can be either an internal rating or an external rating assigned by Moody's Investors Service, Standard & Poor's and/or Fitch Ratings. Loans to foreign borrowers are granted within suitable country limits only.

#### *Operational Risks ("OpRisk")*

Essen Hyp has set up an OpRisk framework in order to identify operational risks. Specific risks are qualified by means of regular self assessments. If, and to the extent that there is any quantifiable loss resulting from operational risks, such loss is entered into and analysed by the loss collection tool of its parent company.

The amount of economic capital which needs to be allocated to the operational risks of Essen Hyp is calculated within the Group (based on the advanced measurement approach (AMA) within the meaning of Basel II).

The OpRisk framework referred to above aims at preventing any unpredictable loss resulting from operational risks to the maximum extent.

### **Risk Factors regarding the Notes**

*The following is a disclosure of the risk factors which are material to the Notes issued under the Programme in order to assess the market risk associated with the Notes. Prospective investors should consider these risk factors before deciding to purchase Notes issued under the Programme.*

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

*Under the circumstances described below and, as the case may be, in the applicable Final Terms, prospective investors may lose the value of their entire investment or part of it. In respect of Notes which require in view of their specific structure a specific description of risk factors, the following statements are not exhaustive; risk factors in addition to those mentioned below will be described in the Final Terms relating to such Notes.*

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

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) 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.

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

#### *Liquidity Risk*

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Prospectus to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Luxembourg Stock Exchange. In addition, the Programme provides that Notes may be listed on other or further stock exchanges including, but not limited to, the Dusseldorf Stock

Exchange or may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. If the Notes are not listed on any stock exchange, pricing information for such Notes may be more difficult to obtain, which may affect the liquidity of the Notes adversely. In an illiquid market, an investor is subject to the risk that he will not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

#### *Market Price Risk*

The development of market prices of the Notes depends on various factors, such as changes of Market Interest Rate levels, the policy of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The Holder is therefore exposed to the risk of an unfavourable development of market prices of its Note which materialises if the Holder of the Notes sells the Notes prior to the final maturity of such Notes. If the Holder decides to hold the Notes until final maturity the Notes will be redeemed at the amount set out in the relevant Final Terms.

#### *Risk of potential Conflicts of Interest*

In case of Notes linked to an underlying (e.g., an index, a currency, a commodity, single shares or a basket), the Issuer, the Dealer(s) or any of their respective affiliates may from time to time engage in transactions relating to such underlying for their own accounts or for the accounts of third parties and may issue other financial products in respect of such underlying. Such activities could create conflicts of interest and may have a negative impact on the underlying value.

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions and may perform services for the Issuer and its affiliates in the ordinary course of business.

#### *Risk of Early Redemption*

The applicable Final Terms will indicate whether the Issuer may have the right to call the Notes prior to maturity. In the case of Notes other than Pfandbriefe, the Issuer will always have the right to redeem the Notes if the Issuer is required to make payments of additional amounts for reasons of taxation (gross-up payments) and may have a right to call the Notes prior to maturity at his option ("**Optional Call Right**"). If the Issuer redeems the Notes prior to maturity, a Holder of such Notes is exposed to the risk that due to early redemption his investment will have a lower than expected yield. The Issuer might exercise his optional call right if the yield on comparable Notes in the capital market falls, which means that the investor may only be able to reinvest the redemption proceeds in Notes with a lower yield.

#### *Currency Risk/Dual Currency Notes*

A Holder of Notes denominated in a foreign currency and a Holder of Dual Currency Notes is 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 a Note 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 in euro in accordance with the terms of such Note. If the underlying exchange rate falls and the value of the euro correspondingly rises, the price of the Note and the value of interest and principal payments made thereunder expressed in euro falls.

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, or no interest or principal.

### *Fixed Rate Notes*

A Holder of a Fixed Rate Note is exposed to the risk that the price of such Note falls as a result of changes 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 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 of comparable issues. 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.

### *Floating Rate Notes*

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 profitability of Floating Rate Notes in advance.

Floating Rate Notes may be structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features. In such case, their market value may be more volatile than the market value for Floating Rate Notes that do not include these features. If the amount of interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the interest rates on interest payable will be increased. 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 favourable development beyond the cap. The yield could therefore be considerably lower than that of similar Floating Rate Notes without a cap.

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.

### *Inverse/Reverse Floating Rate Notes*

Inverse Floating Rate Notes (also called Reverse Floating Rate Notes) have an interest rate which is determined as the difference between a fixed interest rate and a floating rate reference rate such as the Euro Interbank Offered Rate (EURIBOR) or the London Interbank Offered Rate (LIBOR) which means that interest income on such Notes falls if the reference interest rate increases. Typically, the market value of Inverse Floating Rate Notes is more volatile than the market value of other more conventional floating rate notes based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest payable on the Inverse/Reverse Floating Rate Notes, but may also reflect an increase in prevailing interest rates, which may further adversely affect the market value of such Notes.

### *Fixed to Floating Rate Notes*

Fixed to Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes relating to the same reference rate. In addition, the new floating rate at any time may be lower than the interest rates payable on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing interest rates payable on its Notes.

### *Zero Coupon Notes*

Zero Coupon Notes do not pay current interest but are typically issued at a discount from their nominal value. Instead of periodical interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity and reflects the Market Interest Rate. A Holder of a Zero Coupon Note is exposed to the risk that the price of such Note falls as a result of changes in the Market Interest Rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to Market Interest Rate changes than interest bearing notes with a similar maturity.

### *Index-linked Notes*

Index-linked Notes may either be issued as index-linked Interest Notes where payments will be made by reference to a single index or a basket of indices or other factors (including commodities and movements in exchange rates) and/or such formula as may be specified by the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms) or as index-linked Redemption Notes where payments of principal will be calculated by reference to a single index or a basket of indices or other factors (including commodities or movements in exchange rates) and/or such formula as may be specified by the Issuer and the relevant Dealer (as indicated in the applicable Final Terms) or may be issued as a combination of Index-linked Interest Notes and Index-linked Redemption Notes.

If payment of interest is linked to a particular index, a Holder of an Index-linked Interest Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income or may even receive no interest at all which may have the effect that the yield of an Index Linked Interest Note is negative. A Holder of an Index-linked Redemption Note (Pfandbriefe will not be issued as Index-linked Redemption Notes) is exposed to the risk that the repayment amount is uncertain. Depending on the calculation of the repayment amount, the yield of an Index-linked Redemption Note may even be negative and an investor might lose the value of its entire investment or parts of it. The Issuer does not have control over a number of matters, including economic, financial and political events that are important in determining the existence, magnitude and longevity of these risks and their results.

Investors should be aware that the market price of Index-linked Notes may be very volatile (depending on the volatility of the relevant index). Neither the current nor the historical value of the relevant index should be taken as an indication of the future performance of such index during the term of any Note. The more volatile the relevant index is, the greater is the volatility of the market price of such Note, and the uncertainty in respect of interest income and repayment amount. Uncertainty with respect to interest and repayment amount make it impossible to determine the yield of Index-linked Notes in advance.

### *General Risks in respect of Structured Notes*

In general, an investment in Structured Notes the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security. Such risks include the risks that the Holder of such Note will receive no interest at all or that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that the Holder of such Note could lose all or a substantial portion of the principal of his Structured Notes. In addition, investors should be aware that the market price of such Notes may be very volatile (depending on the volatility of the relevant currency, commodity, interest rate, index or formula).

Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Structured Note.

### *Risks in connection with Caps*

If interest rate and/or redemption amount of an issue of Notes are not fixed but will be determined according to the structure of Notes as set out in the relevant Final Terms of the Notes, these issues may also be equipped with a cap. The effect of a cap is that the amount of interest and/or the redemption amount will never rise above and beyond the predetermined cap, so that the holder will

not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similarly structured Notes without a cap.

#### *Credit Linked Notes*

An investment in Credit Linked Notes involves a high degree of risk. There is no guarantee that the Holders of Credit Linked Notes will receive the full principal amount of the Notes and interest thereon and ultimately the obligations of the Issuer to pay principal under the Notes may even be reduced to zero.

In the event of the occurrence of a credit event (as specified in the applicable Final Terms) which may include amongst other things, bankruptcy, failure to pay, obligations accelerations and repudiation/moratorium in respect of one or more reference entities, the Issuer may redeem the Notes either by delivering to the Holders of the Notes such "deliverable obligations" (as specified in the Final Terms) of any such reference entity in respect of which the credit event has occurred, or, if cash settlement is specified in the relevant Final Terms, by the payment of an amount of cash as determined in accordance with the provisions of the relevant Final Terms. In addition, interest bearing Credit Linked Notes may cease to bear interest on or prior to the date of the occurrence of such circumstances.

In case of "physical settlement" (as specified in the applicable Final Terms), the deliverable obligations will be debt obligations of the reference entity, selected by the Issuer, of the type and having the characteristics described in the applicable Final Terms. Thus, the Issuer may deliver any deliverable obligations of a defaulted reference entity meeting the criteria described in the applicable Final Terms, regardless of their market value at the time of delivery, which may be less than the principal amount of the Notes or, in certain circumstances, be equal to zero.

#### *Subordinated Notes*

The obligations of Essen Hyp in case of subordinated notes ("**Subordinated Notes**") constitute unsecured and subordinated obligations. In the event of dissolution, liquidation or insolvency or other proceedings for the avoidance of insolvency of, or against, the Issuer, such obligations will be subordinated to the claims of all unsubordinated creditors of the Issuer so that in any such event no amounts shall be payable under such obligations until the claims of all unsubordinated creditors of the Issuer shall have been satisfied in full. No Holder may set off his claims arising under the Subordinated Notes against any claims of the Issuer. No security of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the Holders under such Notes. No payment in respect of the Subordinated Notes (whether of principal, interest or otherwise) may be made by the Issuer if such payment would have the consequence that the own funds (*Eigenmittel*) of the Issuer would no longer meet the statutory requirements applicable from time to time; any payment made in violation of the foregoing must be repaid to the Issuer irrespective of any agreement to the contrary. No subsequent agreement may limit the subordination pursuant to the provisions set out in the relevant Terms and Conditions or change the Maturity Date in respect of the Notes to any earlier date or shorten any applicable notice period (*Kündigungsfrist*). If the Subordinated Notes are redeemed before the Maturity Date otherwise than in the circumstances described in the relevant Terms and Conditions or repurchased by the Issuer (otherwise than in accordance with the provisions of § 10 (7) sentence 5 German Banking Act (*KWG*)), then the amounts redeemed or paid must be returned to the Issuer irrespective of any agreement to the contrary unless the amounts paid have been replaced by the inpayment of other own funds (*haftendes Eigenkapital*) of at least equivalent status within the meaning of the German Banking Act, or the Federal Financial Services Supervisory Authority (*BaFin*) has consented to such redemption or repurchase.

### **Special Risks associated with Participation Certificates**

#### *Distribution Risk*

Holders of Participation Certificates will receive an annual distribution as long as such distribution on the Participation Certificates will not cause a balance sheet loss with Essen Hyp. If such distribution cannot be paid in whole or in part due to the foregoing, such distributions may be made in future

years, if Essen Hyp makes balance sheet profits in future years sufficient to satisfy the distribution claims. A Holder of a Participation Certificate is therefore exposed to the risk that he will receive less distributions than expected or no distributions at all or that the distributions will be made at a later point in time than expected.

*Participation in Balance-Sheet Losses – Redemption Risk*

If a balance sheet loss is recorded in the balance sheet of Essen Hyp or if the registered share capital of Essen Hyp is reduced in order to compensate losses, the repayment claim of each Holder of a Participation Certificate can be reduced up to its full value. The Holders of Participation Certificates bear the risk of a reduction of the repayment amount of their Participation Certificates.

*Subordinated rank*

The Participation Certificates will be subordinated to all other unsubordinated claims of any other creditors of Essen Hyp. In the event of any insolvency proceedings over the assets or the liquidation of Essen Hyp, payments on the Participation Certificates will not be made until all other unsubordinated creditors are satisfied.

# HYPOTHEKENBANK IN ESSEN AKTIENGESELLSCHAFT

## History and Development

Hypothekbank in Essen Aktiengesellschaft (commercial name: Essen Hyp) is a private German mortgage bank in the form of a stock corporation according to German law. Established on 30 September 1986, Essen Hyp commenced operations on 23 January 1987. Essen Hyp is registered under number HRB 7083 in the commercial register of the lower regional court (*Amtsgericht*) of Essen.

The registered office is located in Essen and its head office is at Gildehofstraße 1, 45127 Essen, Federal Republic of Germany (phone +49 201 8135-0).

## Organisational Structure / Major Shareholders

Essen Hyp is part of the Commerzbank Group, a family of financial institutions led by Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany ("**Commerzbank AG**"). Commerzbank AG holds 51 per cent. of the shares in Essen Hyp. The remaining 49 per cent. of the shares are held by the Schuppli Group.

## Business Overview

### *Principal activities and principal markets*

As a German Pfandbriefbank within the meaning of the German Pfandbrief Act Essen Hyp engages in public-sector lending (i. e. lending to sovereign and other public law entities), residential and commercial property mortgage lending as well as limited related activities. Essen Hyp's core business is the public-sector lending. To a lesser extent, Essen Hyp also engages in mortgage lending. Main products are public-sector and mortgage Pfandbriefe, unsecured bonds and promissory notes. Public-sector Pfandbriefe are issued to a great extent in the form of Jumbo Pfandbriefe.

The principal markets of Essen Hyp are the Federal Republic of Germany, Europe, North America and Asia.

### *Public-Sector Lending*

The key business segment of Essen Hyp is the financing of the public sector in the Federal Republic of Germany, in Europe as well as in the United States, Canada and Asia. The dominant borrowers in terms of asset allocation are the Federal Republic of Germany as well as the German Federal States. In line with the ongoing European integration, the financing of European sovereign and sub-sovereign entities is becoming more important. Public-sector lending represented approximately 80 per cent. of Essen Hyp's total assets as of 31 December 2005.

### *Mortgage Lending*

Essen Hyp extends mortgage loans to finance a wide variety of residential and commercial properties, especially in the domestic market as well as in Europe and North America. Mortgage loans represented approximately 9 per cent. of Essen Hyp's total assets as of 31 December 2005, reflecting the secondary nature of its mortgage lending compared to the public-sector lending activities.

## Administrative, Management and Supervisory Bodies

### *Board of Managing Directors*

Present members of the Board of Managing Directors are:

Hubert Schulte-Kemper, Chairman, Marl

Corporate Division 1: Corporate Management Center

Corporate Division 2: Capital Markets



Representation vis-à-vis Shareholders, Supervisory Board, Advisory Council, Supervisory Authorities, Associations  
Coordination of the Board of Managing Directors  
Internal Audit Department  
REGINA Finanz- und Versicherungsvermittlung GmbH (Subsidiary)  
Essen Hyp Immobilien GmbH (Subsidiary)  
Real Estate owned by the Bank  
Annual Reports and Interim Reports  
Staff council matters

Michael Fröhner, Dortmund  
Corporate Division 3: Real Estate Finance  
Corporate Division 4: Services  
Legal Department (including: Trustee's Office)  
Rating Agencies

Burghard Dallosch, Essen  
Finances  
Back Office Processing & Control  
Immobilien Expertise GmbH (Subsidiary)  
Compliance  
Money Laundering  
Data Protection  
Auditors

#### *Supervisory Board*

Present members of the Supervisory Board are:

Dr. Eric Strutz,  
Chairman, Member of the Board of Managing Directors of Commerzbank AG, Frankfurt am Main

Dipl.-Oec Berta Schuppli,  
Deputy Chairman, Wiesbaden

Wolfgang Hartmann,  
Member of the Board of Managing Directors of Commerzbank AG, Frankfurt am Main

Dr. Renate Krümmer,  
Executive Vice President, Group Strategy and Controlling of Commerzbank AG, Frankfurt am Main

Erich Labs,  
Hypothesenbank in Essen AG, Essen

Kurt Müller,  
Hypothesenbank in Essen AG, Essen

The members of the Board of Managing Directors and of the Supervisory Board can be contacted at the address of the head office of the Issuer.

There are no potential conflicts of interest of the members of the Board of Managing Directors and the members of the Supervisory Board between any duties to the Issuer and their private interests.

#### **Historical Financial Information**

The audited non-consolidated financial statements of the Issuer for the financial years ended 31 December 2004 and 2005 are incorporated by reference in and form part of this Prospectus.

#### **Auditors**

The auditors of Essen Hyp for the financial years 2004 and 2005 were PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Olof-Palme-Straße 35, 60439 Frankfurt am Main, Federal Republic of Germany (former firm name: PwC Deutsche Revision Aktiengesellschaft)

Wirtschaftsprüfungsgesellschaft), who have audited the financial statements of Essen Hyp as of and for the financial year ended 31 December 2004 and 31 December 2005 without qualification.

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*).

#### **Significant Change in the Financial Position**

As of 23 March 2006 the subscribed capital of Essen Hyp has been increased by € 50,000,000 to € 364,000,000.

Except for the aforesaid there has been no significant change in the financial position of Essen Hyp since 31 December 2005.

#### **Trend Information**

There has been no material adverse change in the prospects of Essen Hyp since 31 December 2005.

#### **Legal and Arbitration Proceedings**

As of the date of this Prospectus, the Issuer is not involved in any governmental, legal or arbitration proceedings nor is the Issuer aware of any such proceedings pending or being threatened, the results of which may have or have had during the previous 12 months a significant effect on its financial position or profitability.

## TERMS AND CONDITIONS OF THE NOTES

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

*PART I sets out the basic terms (the "Basic Terms") comprising the Terms and Conditions that apply to (a) Series of Notes which are represented by global Notes (other than Pfandbriefe) (PART I (A)), (b) Series of Pfandbriefe which are represented by global Notes (PART I (B)) and (c) Participation Certificates which are represented by a global Note (PART I (C)).*

*PART II sets forth one supplement (the "Supplement") to the Basic Terms: those provisions that apply in the case of definitive Notes which are supplemental to the provisions of the Basic Terms set out in PART I (A).*

*The Basic Terms and the Supplement thereto together constitute the Terms and Conditions.*

This Series of [Notes][Pfandbriefe][Participation Certificates] is issued pursuant to an Amended and Restated Fiscal Agency Agreement dated as of 31 October 2005 (the "Agency Agreement") between Hypothekbank in Essen Aktiengesellschaft (the "Issuer") and BNP Paribas Securities Services, Luxembourg Branch as fiscal agent (the "Fiscal Agent", which expression shall include any successor fiscal agent thereunder) and the other parties named therein. Copies of the Agency Agreement may be obtained free of charge at the specified office of the Fiscal Agent, at the specified office of any Paying Agent and at the principal office of the Issuer.

In the case of Long-Form Conditions, if the Terms and Conditions and the Final Terms are to be attached Insert:

[The provisions of these Terms and Conditions apply to the [Notes] [Pfandbriefe] [Participation Certificates] as completed, modified, supplemented or replaced, in whole or in part, by the terms of the final terms which is attached hereto (the "Final Terms"). The blanks in the provisions of these Terms and Conditions which are applicable to the [Notes][Pfandbriefe][Participation Certificates] 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; any provisions of the Final Terms modifying, supplementing or replacing, in whole or in part, the provisions of these Terms and Conditions shall be deemed to so modify, supplement or replace the provisions of these Terms and Conditions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the [Notes][Pfandbriefe][Participation Certificates] (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] [Pfandbriefe][Participation Certificates] which are not listed on any stock exchange, copies of the applicable Final Terms will only be available to Holders of such [Notes][Pfandbriefe][Participation Certificates].]

## PART I – BASIC TERMS

### A. TERMS AND CONDITIONS OF NOTES (OTHER THAN PFANDBRIEFE AND PARTICIPATION CERTIFICATES)

#### § 1

#### CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination.* This Series [•] of Notes (the "Notes") of Hypothekbank in Essen Aktiengesellschaft (the "Issuer") is being issued in **[insert Specified Currency]** (the "Specified Currency") in the aggregate principal amount of **[insert aggregate principal amount]** (in words: **[insert aggregate principal amount in words]**) in denominations of **[insert Specified Denominations]** (the "Specified Denominations").

(2) *Form.* The Notes are in bearer form and represented by one or more global notes (each, a "Global Note").

In the case of Notes which are exclusively represented by a Permanent Global Note insert:

**[(3) *Permanent Global Note.* The Notes are represented by a permanent Global Note (the "Permanent Global Note") without coupons. The Permanent Global Note shall be signed manually by two 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 insert:

**[(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") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed manually by two 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 exchangeable for the Permanent Global Note from the 40th day after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U. S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Such certification will comply with applicable United States Treasury regulations. 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 Temporary Global Note will be treated as a request to exchange pursuant to subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 4(3)).]

(4) *Clearing System.* Each Global Note representing the Notes will be kept in custody by or on behalf of the Clearing System. "Clearing System" means **[if more than one Clearing System insert: each of]** the following: **[Clearstream Banking AG ("CBF")]** **[Clearstream Banking, société anonyme ("CBL")]** **[Euroclear Bank S. A./N. V. as operator of the Euroclear System ("Euroclear")]** **[CBL and Euroclear, each an "ICSD" and together the "ICSDs"]** [,] **[and]** **[specify other Clearing System].**

In case of Notes kept in custody on behalf of ICDS

**[In the case the Global Note is an NGN insert: The Notes are issued in new**

Insert:

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

**[In the case the Global Note is an CGN insert:** 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 Global Note is an NGN insert:

[(6) *Records of the ICSDs.* The nominal 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 nominal amount of Notes represented by the Global Note and, for these purposes, a statement issued by a ICSD stating the nominal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of an instalment 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 nominal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid.]

**[In the case the Temporary Global Note is a NGN insert:** 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.]

## § 2 STATUS

In the case of unsubordinated Notes insert:

[The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer.]

In the case of subordinated Notes insert:

[The obligations under the Notes constitute unsecured and subordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and subordinated obligations of the Issuer. In the event of the dissolution, liquidation, institution of insolvency proceedings over the assets of, composition or other proceedings for the avoidance of the institution of insolvency proceedings over the assets of or against, the Issuer, such obligations will be subordinated to the claims of all unsubordinated creditors of the Issuer so that in any such event no amounts shall be payable under such obligations until the claims of all unsubordinated creditors of the Issuer shall have been satisfied in full. No Holder may set off his claims arising under the Notes against any claims of the Issuer. No security of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the Holders under such Notes. No subsequent agreement may limit the subordination pursuant to the provisions set out in this § 2 or amend the Maturity Date in respect of the Notes to any earlier date or shorten any applicable notice period (*Kündigungsfrist*). If the Notes are redeemed before the Maturity Date otherwise than in the circumstances described in this § 2 or as a result of an early redemption according to § 5(2) or repurchased by the Issuer otherwise than in accordance with the provisions of § 10(5a) sentence 6

Kreditwesengesetz (*German Banking Act*), then the amounts redeemed or paid must be returned to the Issuer irrespective of any agreement to the contrary unless the amounts paid have been replaced by other liable capital (*haftendes Eigenkapital*) of at least equal status within the meaning of the German Banking Act, or the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) has consented to such redemption or repurchase.]

### § 3 INTEREST

(A) In the case of Fixed Rate Notes insert:

[(1) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their principal amount at the rate of **[insert Rate of Interest]** per cent. per annum from (and including) **[insert Interest Commencement Date]** to (but excluding) the Maturity Date (as defined in § 5(1)). Interest shall be payable in arrear on **[insert fixed Interest Payment Date(s)]** in each year (each such date, an "Interest Payment Date"). The first payment of interest shall be made on **[insert First Interest Payment Date]** **[if First Interest Payment Date is not first anniversary of Interest Commencement Date insert: and will amount to [insert Initial Broken Amount per first Specified Denomination] per note in a denomination of [insert first Specified Denomination] and [insert further Initial Broken Amount(s) per further Specified Denominations] per note in a denomination of [insert further Specified Denominations].]** **[If Maturity Date is not a Fixed Interest Date insert: Interest in respect of the period from [insert Fixed Interest Date preceding the Maturity Date] (inclusive) to the Maturity Date (exclusive) will amount to [insert Final Broken Amount per first Specified Denomination] per note in a denomination of [insert first Specified Denomination] [and [insert further Final Broken Amount(s) per further Specified Denominations] per note in a denomination of [insert further Specified Denominations].]**

(2) *Accrual of Interest.* The Notes shall cease to bear interest from their due date for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date until the actual redemption of the Notes at the default rate of interest established by law unless the rate of interest of the Notes is higher than the default rate of interest established by law.

(3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

(B) In the case of Floating Rate Notes insert:

[(1) *Interest Payment Dates.* (a) The Notes bear interest on their principal amount from **[insert Interest Commencement Date]** (inclusive) (the "Interest Commencement Date") to the first Interest Payment Date (exclusive) and thereafter from each Interest Payment Date (inclusive) to the next following Interest Payment Date (exclusive). Interest on the Notes shall be payable on each Interest Payment Date.

(b) "Interest Payment Date" means

**[(i) in the case of Specified Interest Payment Dates insert: each [insert Specified Interest Payment Dates].]**

**[(ii) in the case of Specified Interest Periods insert: each date which (except as otherwise provided in these Terms and Conditions) falls [insert number] [weeks] [months] [insert other specified periods] 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:

**[(i) in the case of Modified Following Business Day Convention insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the payment date shall be the immediately preceding Business Day.]

**[(ii) in the case of FRN Convention insert:** 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 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 payment date.]

**[(iii) in the case of Following Business Day Convention insert:** postponed to the next day which is a Business Day.]

**[(iv) in the case of Preceding Business Day Convention insert:** the immediately preceding Business Day.]

(d) In this § 3 "Business Day" means a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is not euro insert:** commercial banks and foreign exchange markets in **[insert all relevant financial centres]] [if the Specified Currency is euro insert:** the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)] settle payments.

(2) *Rate of Interest.* **[In the case of Screen Rate Determination insert:** The rate of interest (the "Rate of Interest") for each Interest Period (as defined below) will, except as provided below, 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] [London] time) on the Interest Determination Date (as defined below) **[in the case of Margin insert:** [plus] [minus] the Margin (as defined below)], all as determined by the Calculation Agent.

"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] [insert other applicable number of days] [London] [TARGET] [insert other relevant reference]** Business Day prior to the commencement of the relevant Interest Period. **[In case of a non-TARGET Business Day insert:** "[London] **[insert other relevant location]** Business Day" means a day which is a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[London] [insert other relevant location].] [In case of a TARGET Business Day insert:** "TARGET Business Day" means a day on which TARGET is operating.]

**[In the case of Margin insert:** "Margin" means [•] per cent. per annum.]

"Screen Page" means **[insert relevant Screen Page].**

**[The Issuer may at its option agree on another basis for determining a reference rate. Full details of such basis will be contained here and in the applicable Final Terms.]**

If the Screen Page is not available or if no such quotation appears, in each case as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) **[in the euro-zone]** to provide the Calculation Agent with its offered quotation (expressed as a percentage rate

per annum) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the [London] interbank market [in the euro-zone] at approximately 11.00 a.m. ([Brussels] [London] time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded, if necessary, to the nearest one [if the Reference Rate is EURIBOR insert: thousandth of a percentage point, with 0.0005] [if the Reference Rate is not EURIBOR insert: hundred-thousandth of a percentage point, with 0.000005] being rounded upwards) [insert other applicable rounding provision pursuant to the rounding convention of the applicable offered quotation] of such offered quotations [in the case of Margin insert: [plus] [minus] the Margin], all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded, if necessary, to the nearest one [if the Reference Rate is EURIBOR insert: thousandth of a percentage point, with 0.0005] [if the Reference Rate is not EURIBOR insert: hundred-thousandth of a percentage point, with 0.000005] being rounded upwards) [insert other applicable rounding provision pursuant to the rounding convention of the applicable offered quotation] of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at 11.00 a.m. ([Brussels] [London] time) on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the [London] interbank market [in the euro-zone] [in the case of Margin insert:

[plus] [minus] the Margin] or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the [London] interbank market [in the euro-zone] (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) [in the case of Margin insert:

[plus] [minus] the Margin]. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered [in the case of Margin insert: [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)].

As used herein, "Reference Banks" means [if no other Reference Banks are specified in the Final Terms, insert: those offices of four of such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page] [if other Reference Banks are specified in the Final Terms, insert names here].

[In the case of euro-zone interbank market insert: "Euro-Zone" means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in



accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and the Amsterdam Treaty of October 2, 1997, as further amended from time to time.]

**[If Reference Rate is other than EURIBOR or LIBOR, insert relevant details in lieu of the provisions of this paragraph (2)]**

**[If ISDA Determination applies insert the relevant provisions and attach the 2000 ISDA Definitions published by the International Swap and Derivatives Association]**

**[If other method of determination applies, insert herein and in the applicable Final Terms relevant details in lieu of the provisions of this paragraph (2)]**

**[If Minimum and/or Maximum Rate of Interest applies insert:**

(3) *[Minimum] [and] [Maximum] Rate of Interest.*

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

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

**[(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, calculate the amount of interest (the "Interest Amount") payable on the Notes 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 the aggregate principal amount of the Notes 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 and to the Holders in accordance with § [12] as soon as possible after their determination, but in no event later than the fourth **[TARGET]** **[London]** Business Day (as defined in § 3(1)) 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 prior 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, the Fiscal Agent<sup>[,]</sup> the Paying Agent<sup>[s]</sup> and the Holders.

**[(7)] *Accrual of Interest.*** The Notes shall cease to bear interest from their due date for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date until actual redemption of the Notes. The applicable Rate of Interest will be the default rate of interest established by law except the

rate of interest of the Notes is higher than the default rate of interest established by law.

(C) In the case of Zero Coupon Notes insert:

[(1) *No Periodic Payments of Interest.* There will not be any periodic payments of interest on the Notes.

(2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall accrue on the outstanding principal amount of the Notes as from the due date to the date of actual redemption at the default rate of interest established by law except the rate of interest of the Notes is higher than the default rate of interest established by law.]

[(D) In the case of Dual Currency Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms]

**In the case of Index-linked Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms]**

**[In the case of Credit Linked Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms].**

**[In the case of other structured Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms]]**

**[(\*)] *Day Count Fraction.*** "Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "Calculation Period"):

**[if Actual/Actual (ICMA) insert:** the number of days in the Calculation Period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date divided by (x) in the case of Notes where interest is scheduled to be paid only by means of regular annual payments, the number of days in the Calculation Period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date or (y) in the case of Notes where interest is scheduled to be paid other than only by means of regular annual payments, the product of the number of days in the Calculation Period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date and the number of Interest Payment Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year.]

**[if Actual/Actual (ISDA) (Actual/365) insert:** the actual number of days in the Calculation Period divided by 365 (or, if any calculation portion of that period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period not falling in a leap year divided by 365).]

**[if Actual/365 (Fixed) insert:** the actual number of days in the Calculation Period divided by 365.]

**[if Actual/360 insert:** the actual number of days in the Calculation Period divided by 360.]

**[if 30/360, 360/360 or Bond Basis insert:** the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not

be considered to be lengthened to a 30-day month).]

**[if 30E/360 or Eurobond Basis:** the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period).]

#### § 4 PAYMENTS

(1) **[(a)]** *Payment of Principal.* Payment of principal in respect of 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 upon presentation and (except in the case of partial payment) surrender of the Global Note representing the Notes at the time of payment at the specified office of the Fiscal Agent outside the United States.

**[(b)]** *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account Holders of the Clearing System.

**[In the case of interest payable on a Temporary Global Note insert:** 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 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 **[insert Specified Currency]**.

(3) *United States.* For purposes of **[in the case of TEFRA D Notes insert: § 1 (3) and]** subparagraph (1) of this § 4, "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).

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

(5) *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 a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is not euro insert: commercial banks and foreign exchange markets in [insert all relevant financial centres]] [if the Specified Currency is euro and in the case of Floating Rate Notes insert: TARGET] [if the specified currency is euro and in the case of Notes other than Floating Rate Notes insert: the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** settle payments.

**[(6)]** *References to Principal and Interest.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; the Early Redemption Amount of the Notes; **[if redeemable at the option of the Issuer for other than taxation reasons insert: the Call Redemption Amount of the Notes;] [if redeemable at the option of the Holder insert: the Put Redemption Amount of the Notes;] [in the case of Zero Coupon Notes insert: the Amortised Face Amount of the Notes;] [in the case of Instalment Notes insert: the Instalment Amount(s) of the Notes;]** and any premium and any other amounts which may be payable under or in respect of the Notes. Reference in these Terms and

In the case of Notes other than Zero Coupon Notes insert:

Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7.

[(7)] *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity 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.

## § 5 REDEMPTION

### (1) *Redemption at Maturity.*

In the case of Notes other than Instalment Notes insert:

[Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on [in the case of a specified Maturity Date insert such Maturity Date] [in the case of a Redemption Month insert: the Interest Payment Date falling in [insert Redemption Month]] (the "Maturity Date"). The Final Redemption Amount in respect of each Note shall be [if the Notes are redeemed at their principal amount insert: its principal amount] [otherwise insert Final Redemption Amount per denomination].]

In the case of Instalment Notes insert:

[Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at the Instalment Date(s) and in the Instalment Amount(s) set forth below:

Instalment Date(s)	Instalment Amount(s)
[insert Instalment Date(s)]	[insert Instalment Amount(s)]
[ ]	[ ]
[ ]	[ ]

(2) *Early Redemption for Reasons of Taxation.* If as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Germany 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 is required to pay Additional Amounts (as defined in § 7 herein) [in the case of Notes other than Zero Coupon Notes insert: on the next succeeding Interest Payment Date (as defined in § 3(1))] [in the case of Zero Coupon Notes insert: at maturity or upon the sale or exchange of any Note], and this obligation cannot be avoided by the use of reasonable measures available to the Issuer, 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 Early Redemption Amount (as defined below), together with interest (if any) accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts were a payment in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts or make such deduction or withholding does not remain in effect. [In the case of Floating Rate Notes insert: The date fixed for redemption must be an Interest Payment Date.]

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.

If Notes are subject to Early Redemption at the Option of the Issuer Insert:

[[3]] *Early Redemption at the Option of the Issuer.*

- (a) The Issuer may, upon notice given in accordance with clause (b), redeem **[all] [some]** of the Notes on the Call Redemption Date[s] at the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Call Redemption Date. **[If Minimum Redemption Amount or Higher Redemption Amount applies insert: Any such redemption must be of a principal amount equal to [at least [insert Minimum Redemption Amount]] [Higher Redemption Amount].]**

Call Redemption Date(s)	Call Redemption Amount(s)
<b>[insert Call Redemption Date(s)]</b>	<b>[insert Call Redemption Amount(s)]</b>
[ ]	[ ]
[ ]	[ ]

**[If Notes are subject to Early Redemption at the Option of the Holder insert: 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 [(4)] 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 Call Redemption Date, which shall be not less than **[insert Minimum Notice to Holders]** nor more than **[insert Maximum Notice to Holders]** 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.]

If the Notes are subject to Early Redemption at the Option of a Holder Insert:

[[4]] *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.

Call Redemption Date(s)	Call Redemption Amount(s)
<b>[insert Call Redemption Date(s)]</b>	<b>[insert Call Redemption Amount(s)]</b>
[ ]	[ ]
[ ]	[ ]

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of its option to redeem such Note under this § 5.

- (b) In order to exercise such option, the Holder must, not less than **[insert Minimum Notice to Issuer]** nor more than **[insert Maximum Notice to Issuer]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below),

submit during normal business hours at the specified office of the Fiscal Agent a duly completed early redemption notice ("Put Notice") in the form available from the specified office of the Fiscal Agent. The Put Notice must specify (i) the principal amount of the Notes in respect of which such option is exercised, and (ii) the securities identification number of such Notes, if any. 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.]

In the case of unsecured Notes other than Zero Coupon Notes insert:

[[[5]] *Early Redemption Amount.*

(a) For purposes of subparagraph (2) of this § 5 and § 9, the Early Redemption Amount of a Note shall be its Final Redemption Amount.]

In the case of subordinated Notes other than Zero Coupon Notes insert:

[[[5]] *Early Redemption Amount.*

For purposes of subparagraph (2) of this § 5, the Early Redemption Amount of a Note shall be its Final Redemption Amount.]

In the case of Zero Coupon Notes insert:

[[[5]] *Early Redemption Amount.*

(a) For purposes of subparagraph (2) of this § 5 [in the case of unsecured Notes insert: and § 9], the Early Redemption Amount of a Note shall be equal to the Amortised Face Amount of the Note.

(b) The Amortised Face Amount of a Note shall be an amount equal to the sum of:

(i) [insert Reference Price] (the "Reference Price"), and

(ii) the product of [insert Amortisation Yield] (compounded annually) and the Reference Price from (and including) [insert Issue Date] to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Notes become due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year (the "Calculation Period") shall be made on the basis of the Day Count Fraction (as defined in § 3).

(c) If the Issuer fails to pay the Early Redemption Amount when due, the Amortised Face Amount of a Note shall be calculated as provided herein, except that references in subparagraph (b)(ii) above to the date fixed for redemption or the date on which such Note becomes due and repayable shall refer to the earlier of (i) the date on which upon due presentation and surrender of the relevant Note (if required), payment is made, and (ii) the fourteenth day after notice has been given by the Fiscal Agent in accordance with § [12] that the funds required for redemption have been provided to the Fiscal Agent.]

[In the case of Dual Currency Notes, insert all applicable provisions here and in the relevant Final Terms]

[In the case of Index-linked Notes, insert all applicable provisions here and in the relevant Final Terms]

[In the case of Credit Linked Notes, insert all applicable provisions here and in the relevant Final Terms].

[In the case of other structured Notes, insert all applicable provisions here and in the relevant Final Terms]]

§ 6

FISCAL AGENT[, ] [AND] [PAYING AGENT[S]] [AND CALCULATION AGENT]

(1) *Appointment; Specified Offices.* The initial Fiscal Agent[**[,]** **[and]** Paying Agent**[s]** **[and]** the Calculation Agent **[and]** **[its]** **[their]** respective initial specified office**[s]** are:

Fiscal Agent:           BNP Paribas Securities Services,  
                                  Luxembourg Branch  
                                  33, Rue de Gasperich  
                                  Howald-Hesperange

                                  L-2085 Luxembourg  
                                  Luxembourg

**[Paying Agent[s]:   [insert other Paying Agents and specified offices]]**

**[Calculation Agent:]** **[BNP Paribas Securities Services,**  
                                  Luxembourg Branch  
                                  33, Rue de Gasperich  
                                  Howald-Hesperange

                                  L-2085 Luxembourg  
                                  Luxembourg]

The Fiscal Agent[**[,]** **[and]** the Paying Agent**[s]** **[and]** the Calculation Agent **[and]** reserve**[s]** the right at any time to change **[its]** **[their]** respective specified office**[s]** to some other specified office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent **[or the Calculation Agent]** 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**[,]** **[and]** **[(ii)]** a Paying Agent in addition to the Fiscal Agent with a specified office in a continental European city **[in the case of Notes listed on a stock exchange insert: **[,]** **[and]** **[(iii)]**]** 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 **[in the case of payments in U. S. dollars insert: **[,]** **[and]** **[(iv)]**]** if payments at or through the offices of all Paying Agents outside the United States (as defined in § 4 hereof) 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 dollars, a Paying Agent with a specified office in New York City **[if any Calculation Agent is to be appointed insert: and **[(v)]** a Calculation Agent **[if Calculation Agent is required to maintain a Specified Office in a Required Location insert: with a specified office located in **[insert Required Location]**]**]. Any variation, termination, appointment or 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) *Agents of the Issuer.* The Fiscal Agent[**[,]** **[and]** the Paying Agent**[s]** **[and]** the Calculation Agent **[and]** act**[s]** solely as agent**[s]** of the Issuer and do**[es]** not have any obligations towards or relationship of agency or trust to any Holder.

## § 7 TAXATION

All amounts payable in respect of the Notes shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction at source by or on behalf of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such

withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts (the "Additional Amounts") as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Noteholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it, or
- (b) are payable by reason of the Holder having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Federal Republic of Germany, or
- (c) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § [12], whichever occurs later, or
- (d) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding.

#### **§ 8**

#### **PRESENTATION PERIOD**

The presentation period provided in § 801 paragraph 1, sentence 1 BGB (*German Civil Code*) is reduced to ten years for the Notes.



**[§ 9  
EVENTS OF DEFAULT**

In the case of unsubordinated  
Notes insert:

(1) *Events of default.* Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Early Redemption Amount (as described in § 5), together with accrued interest (if any) to the date of repayment, in the event that

- (a) the Issuer fails to pay principal or interest within 30 days from the relevant due date, or
- (b) the Issuer fails duly to perform any other obligation arising from the Notes which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 30 days after the Fiscal Agent has received notice thereof from a Holder, or
- (c) the Issuer announces its inability to meet its financial obligations or ceases its payments, or
- (d) a court opens insolvency proceedings against the Issuer or the Issuer applies for or institutes such proceedings or offers or makes an arrangement for the benefit of its creditors generally, or
- (e) the Issuer goes into liquidation unless this is done in connection with a merger, or other form of combination with another company and such company assumes all obligations contracted by the Issuer, as the case may be, in connection with this issue, or
- (f) any governmental order, decree or enactment shall be made in or by the Federal Republic of Germany whereby the Issuer is prevented from observing and performing in full its obligations as set forth in these Terms and Conditions and this situation is not cured within 90 days.

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

(2) *Notice.* Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made by means of a written declaration in the German or English language delivered by hand or registered mail to the specified office of the Fiscal Agent together with proof that such Holder at the time of such notice is a Holder of the relevant Notes by means of a certificate of his Custodian (as defined in § [13](4)) or in other appropriate manner.]

**§ [10]  
SUBSTITUTION**

(1) *Substitution.* The Issuer may, without the consent of the Holders, if no payment of principal or interest on any of the Notes is in default, at any time substitute for the Issuer any Affiliate (as defined below) of the Issuer as principal debtor in respect of all obligations arising from or in connection with this issue (the "Substitute Debtor") provided that:

- (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;
- (b) the Issuer and the Substitute Debtor have obtained all necessary authorisations and may transfer to the Fiscal Agent in the currency required hereunder 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;

(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 in respect of such substitution;

In the case of unsubordinated Notes insert:

[(d) the Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms which ensure that each Holder will be put in an economic position that is at least as favourable as that which would have existed if the substitution had not taken place; and]

In the case of subordinated Notes insert:

[(d) the obligations assumed by the Substitute Debtor in respect of the Notes are subordinated on terms identical to the terms of the Notes and (i) the Substitute Debtor is a subsidiary (*Tochterunternehmen*) of the Issuer within the meaning of §§ 1(7) and 10(5a) sentence 11 Kreditwesengesetz (*German Banking Act*), (ii) the Substitute Debtor deposits an amount which is equal to the aggregate principal amount of the Notes with the Issuer on terms equivalent, including in respect of subordination, to the terms and conditions of the Notes, and (iii) the Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms which ensure that each Holder will be put in an economic position that is at least as favourable as that which would have existed if the substitution had not taken place; and]

(e) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (a), (b), (c) and (d) above have been satisfied.

For purposes of this § [10], "Affiliate" shall mean any affiliated company (*verbundenes Unternehmen*) within the meaning of § 15 Aktiengesetz (*German Stock Corporation Act*).

(2) *Notice.* Notice of any such substitution shall be published in accordance with § [12].

(3) *Change of References.* In the event of any such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor. Furthermore, in the event of such substitution the following shall apply:

In the case of unsubordinated Notes insert:

[(a) in § 7 and § 5(2) an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor;

(b) in § 9(1)(c) to (f) an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor;

(c) in § 9(1) a further event of default shall be deemed to have been included; such event of default shall exist in the case that the guarantee pursuant to subparagraph 1 (d) is or becomes invalid for any reason.]

In the case of subordinated Notes insert:

[In § 7 and § 5(2) an alternative reference to the Federal Republic of Germany shall be deemed to have been included (in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor).]

**§ [11]**  
**FURTHER ISSUES, PURCHASES AND CANCELLATION**

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

(3) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

**§ [12]**  
**NOTICES**

In the case of Notes which are listed on a Stock Exchange and where notices shall be given by means of publication in newspapers insert:

[(1) *Publication.* All notices concerning the Notes shall be published in a leading daily newspaper having general circulation in [Germany] [Luxembourg] [London] [specify other location]. These newspapers are expected to be the [Börsen-Zeitung] [d'Wort] [Financial Times] [insert other applicable newspaper having general circulation]. Any notice so given 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 of any such publication).]

If notices may be given by means of electronic publication on the website of the relevant Stock Exchange insert

[(1)) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the [insert relevant stock exchange] (www. [insert internet address]). Any notice so given 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*

In the case of Notes which are unlisted Insert:

[The Issuer shall deliver all notices concerning the Notes 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 which are listed on a Stock Exchange insert:

[So long as any Notes are listed on a stock exchange, subparagraph (1) shall apply. If the Rules of the [insert relevant stock exchange] 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 in the newspapers set forth in subparagraph (1) above; 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.]

**§ [13]**  
**APPLICABLE LAW, PLACE OF PERFORMANCE, PLACE OF JURISDICTION AND ENFORCEMENT**

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Place of Performance.* Place of performance shall be Essen.

(3) *Submission to Jurisdiction.* The District Court (*Landgericht*) in Essen shall have non-exclusive jurisdiction for any action or other legal proceedings ("Proceedings") arising out of or in connection with the Notes. The German courts shall have exclusive jurisdiction over lost or destroyed Notes.

(4) *Enforcement.* Any Holder of Notes may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorized officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global note representing the Notes. For purposes of the foregoing, "Custodian" means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.

#### § [14] LANGUAGE

If the Conditions shall be in the German language with an English language translation insert:

[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 Conditions shall be in the English language with a German language translation insert:

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

If the Conditions shall be in the English language only insert:

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

In the case of Notes that 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 only insert:

[Eine deutsche Übersetzung der Emissionsbedingungen wird bei der Hypothekenbank in Essen Aktiengesellschaft, Gildehofstrasse 1, D-45127 Essen, zur kostenlosen Ausgabe bereitgehalten.]

## B. TERMS AND CONDITIONS OF PFANDBRIEFE

### § 1

#### CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination.* This Series [•] of **[in the case of Mortgage Pfandbriefe insert: Mortgage Pfandbriefe (*Hypothekendarlehenpfandbriefe*)] [in the case of Public-Sector Pfandbriefe insert: Public-Sector Pfandbriefe (*Öffentliche Pfandbriefe*)]** (the "Notes") of Hypothekendarlehenbank in Essen Aktiengesellschaft (the "Issuer") is being issued in **[insert Specified Currency]** (the "Specified Currency") in the aggregate principal amount of **[insert aggregate principal amount]** (in words: **[insert aggregate principal amount in words]**) in denominations of **[insert Specified Denominations]** (the "Specified Denominations").

(2) *Form.* The Notes are in bearer form and represented by one or more global notes (each, a "Global Note").

(3) *Permanent Global Note.* The Notes are represented by a permanent Global Note (the "Permanent Global Note") without coupons. The Permanent Global Note shall be signed manually by two authorized signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall be authenticated by or on behalf of the Fiscal Agent. Definitive Notes and interest coupons will not be issued.

(4) *Clearing System.* Each Global Note representing the Notes will be kept in custody by or on behalf of the Clearing System. "Clearing System" means **[in the case of more than one Clearing System insert: each of]** the following: **[Clearstream Banking AG ("CBF")] [Clearstream Banking, société anonyme ("CBL")] [Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear")] [CBL and Euroclear, each an "ICSD" and together the "ICSDs"] [,] [and] [specify other Clearing System].**

In case of Notes kept in custody on behalf of ICSDs insert:

**[In the case the Global Note is an NGN insert: The Notes are issued in new global note ("NGN") form and are kept in custody by a common safekeeper on behalf of both ICSDs. ]**

**[In the case the Global Note is an CGN insert: The Notes are issued in classical global note ("CGN") form and are kept in custody by a common depository 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 Global Note is an NGN insert:

**[(6) *Records of the ICSDs.* The nominal 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 nominal amount of Notes represented by the Global Note and, for these purposes, a statement issued by a ICSD stating the nominal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.**

On any redemption or payment of an instalment 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 nominal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or purchased and

cancelled or by the aggregate amount of such instalment so paid.]

**[In the case the Temporary Global Note is a NGN insert:** 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.]

## § 2 STATUS

The obligations under the Notes constitute unsubordinated obligations of the Issuer ranking *pari passu* among themselves. The Notes are covered in accordance with the Pfandbrief Act (*Pfandbriefgesetz*) and rank *pari passu* with all other obligations of the Issuer under **[in the case of Mortgage Pfandbriefe insert: Mortgage Pfandbriefe] [in the case of Public-Sector Pfandbriefe insert: Public-Sector Pfandbriefe]**.

## § 3 INTEREST

(A) In the case of Fixed Rate Notes insert:

**[(1) *Rate of Interest and Interest Payment Dates.*** The Notes shall bear interest on their principal amount at the rate of **[insert Rate of Interest]** per cent. per annum from (and including) **[insert Interest Commencement Date]** to (but excluding) the Maturity Date (as defined in § 5(1)). Interest shall be payable in arrear on **[insert fixed Interest Payment Date(s)]** in each year (each such date, an "Interest Payment Date"). The first payment of interest shall be made on **[insert First Interest Payment Date] [if First Interest Payment Date is not first anniversary of Interest Commencement Date insert: and will amount to [insert Initial Broken Amount per first Specified Denomination] per note in a denomination of [insert first Specified Denomination] and [insert further Initial Broken Amount(s) per further Specified Denominations] per note in a denomination of [insert further Specified Denominations].] [If Maturity Date is not a Fixed Interest Date insert: Interest in respect of the period from [insert Fixed Interest Date preceding the Maturity Date] (inclusive) to the Maturity Date (exclusive) will amount to [insert Final Broken Amount per first Specified Denomination] per note in a denomination of [insert first Specified Denomination] and [insert further Final Broken Amount(s) per further Specified Denominations] per note in a denomination of [insert further Specified Denominations].]**

**(2) *Accrual of Interest.*** The Notes shall cease to bear interest from their due date for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date until the actual redemption of the Notes at the default rate of interest established by law unless the rate of interest of the Notes is higher than the default rate of interest established by law.

**(3) *Calculation of Interest for Partial Periods.*** If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).]

(B) In the case of Floating Rate Notes insert:

**[(1) *Interest Payment Dates.*** (a) The Notes bear interest on their principal amount from **[insert Interest Commencement Date]** (inclusive) (the "Interest Commencement Date") to the first Interest Payment Date (exclusive) and thereafter from each Interest Payment Date (inclusive) to the next following Interest Payment Date (exclusive). Interest on the Notes shall be payable on each Interest Payment Date.

(b) "Interest Payment Date" means

**[(i) in the case of Specified Interest Payment Dates insert: each [insert Specified Interest Payment Dates].]**

**[(ii) in the case of Specified Interest Periods insert:** each date which (except as otherwise provided in these Terms and Conditions) falls **[insert number] [weeks] [months] [insert other specified periods]** 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:

**[(i) in the case of Modified Following Business Day Convention insert:** postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the payment date shall be the immediately preceding Business Day.]

**[(ii) in the case of FRN Convention insert:** 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 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 payment date.]

**[(iii) in the case of Following Business Day Convention insert:** postponed to the next day which is a Business Day.]

**[(iv) in the case of Preceding Business Day Convention insert:** the immediately preceding Business Day.]

(d) In this § 3 "Business Day" means a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is not euro insert:** commercial banks and foreign exchange markets in **[insert all relevant financial centres]] [if the Specified Currency is euro insert:** the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)] settle payments.

(2) *Rate of Interest.* **[in the case of Screen Rate Determination insert:** The rate of interest (the "Rate of Interest") for each Interest Period (as defined below) will, except as provided below, 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] [London] time) on the Interest Determination Date (as defined below) **[in the case of Margin insert:** [plus] [minus] the Margin (as defined below)], all as determined by the Calculation Agent.

"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] [insert other applicable number of days] [London] [TARGET] [insert other relevant reference]** Business Day prior to the commencement of the relevant Interest Period. **[In case of a non-TARGET Business Day insert:** "[London] **[insert other relevant location]** Business Day" means a day which is a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[London] [insert other relevant location].] [In case of a TARGET Business Day insert:** "TARGET Business Day" means a day on which TARGET is operating.]

**[In the case of Margin insert:** "Margin" means [•] per cent. per annum.]

"Screen Page" means **[insert relevant Screen Page].**

**[The Issuer may at its option agree on another basis for determining a**

**reference rate. Full details of such basis will be contained here and in the applicable Final Terms.]**

If the Screen Page is not available or if no such quotation appears, in each case as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the [London] interbank market [in the euro-zone] at approximately 11.00 a. m. [Brussels] [London] time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded, if necessary, to the nearest one [if the Reference Rate is EURIBOR insert: thousandth of a percentage point, with 0.0005] [if the Reference Rate is not EURIBOR insert: hundred-thousandth of a percentage point, with 0.000005] being rounded upwards) [insert other applicable rounding provision pursuant to the rounding convention of the applicable offered quotation] of such offered quotations [in the case of Margin insert: [plus] [minus] the Margin], all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded, if necessary, to the nearest one [if the Reference Rate is EURIBOR insert: thousandth of a percentage point, with 0.0005] [if the Reference Rate is not EURIBOR insert: hundred-thousandth of a percentage point, with 0.000005] being rounded upwards) [insert other applicable rounding provision pursuant to the rounding convention of the applicable offered quotation] of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at 11.00 a. m. [Brussels] [London] time) on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the [London] interbank market [in the euro-zone] [in the case of Margin insert: [plus] [minus] the Margin] or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the [London] interbank market [in the euro-zone] (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) [in the case of Margin insert: [plus] [minus] the Margin]. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered [in the case of Margin insert: [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)].

As used herein, "Reference Banks" means [if no other Reference Banks are specified in the Final Terms, insert: those offices of four of such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page] [if other Reference Banks are



**specified in the Final Terms, insert names here].**

**[In the case of euro-zone interbank market insert: "Euro-Zone" means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and the Amsterdam Treaty of October 2, 1997, as further amended from time to time.]**

**[If Reference Rate is other than EURIBOR or LIBOR, insert relevant details in lieu of the provisions of this paragraph (2)]**

**[If ISDA Determination applies insert the relevant provisions and attach the 2000 ISDA Definitions published by the International Swap and Derivatives Association]**

**[If other method of determination applies insert herein and in the applicable Final Terms relevant details in lieu of the provisions of this paragraph (2)]**

**[If Minimum and/or Maximum Rate of Interest applies insert:**

*(3) [Minimum] [and] [Maximum] Rate of Interest.*

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

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

**[(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, calculate the amount of interest (the "Interest Amount") payable on the Notes 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 the aggregate principal amount of the Notes 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 and to the Holders in accordance with § 10 as soon as possible after their determination, but in no event later than the fourth [TARGET] [London] 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 prior 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 § 10.

**[(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, the Fiscal Agent[, the Paying Agent[s]] and the Holders.

(C) In the case of Zero  
Coupon Notes insert:

[(7)] *Accrual of Interest.* The Notes shall cease to bear interest from their due date for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date until actual redemption of the Notes. The applicable Rate of Interest will be the default rate of interest established by law except the rate of interest of the Notes is higher than the default rate of interest established by law.]

[(1) *No Periodic Payments of Interest.* There will not be any periodic payments of interest on the Notes.

(2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall accrue on the outstanding principal amount of the Notes as from the due date to the date of actual redemption at the default rate of interest established by law unless the rate of interest of the Notes is higher than the default rate of interest established by law.]

[(D) **[In the case of Dual Currency Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms]**

**[In the case of Index Linked Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms]**

**[In the case of Credit Linked Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms].**

**[In the case of other structured Notes, insert all applicable provisions regarding interest here and in the relevant Final Terms]]**

[(\*) *Day Count Fraction.* "Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "Calculation Period"):

**[if Actual/Actual (ICMA) insert:** the number of days in the Calculation Period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date divided by (x) in the case of Notes where interest is scheduled to be paid only by means of regular annual payments, the number of days in the Calculation Period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date or (y) in the case of Notes where interest is scheduled to be paid other than only by means of regular annual payments, the product of the number of days in the Calculation Period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date and the number of Interest Payment Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year.]

**[if Actual/Actual (ISDA) (Actual/365) insert:** the actual number of days in the Calculation Period divided by 365 (or, if any calculation portion of that period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period not falling in a leap year divided by 365).]

**[if Actual/365 (Fixed) insert:** the actual number of days in the Calculation Period divided by 365.]

**[if Actual/360 insert:** the actual number of days in the Calculation Period divided by 360.]

**[if 30/360, 360/360 or Bond Basis insert:** the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless(A) the last day of

the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month)]

**[if 30E/360 or Eurobond Basis:** the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period).]

#### § 4 PAYMENTS

(1) **[(a)]** *Payment of Principal.* Payment of principal in respect of 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 upon presentation and (except in the case of partial payment) surrender of the Global Note representing the Notes at the time of payment at the specified office of the Fiscal Agent outside the United States.

**[(b)]** *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account Holders of the Clearing System.

**[In the case of interest payable on a Temporary Global Note insert:** 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 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 **[insert Specified Currency]**.

(3) *United States.* For purposes of **[in the case of TEFRA D Notes insert: § 1 (3) and]** subparagraph (1) of this § 4, "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).

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

(5) *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 a day which is a day (other than a Saturday or a Sunday) on which both (i) the Clearing System, and (ii) **[if the Specified Currency is not euro insert: commercial banks and foreign exchange markets in [insert all relevant financial centres]] [if the Specified Currency is euro and in the case of Floating Rate Notes insert: TARGET] [if the specified currency is euro and in the case of Notes other than Floating Rate Notes insert: the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** settle payments.

(6) *References to Principal.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; **[if redeemable at the option of the Issuer insert: the Call Redemption Amount of the Notes]** **[in the case of Instalment Notes insert: the Instalment Amount(s) of the Notes]** and any

In the case of Notes other than Zero Coupon Notes insert:

premium and any other amounts which may be payable under or in respect of the Notes.

(7) *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity 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.

## § 5 REDEMPTION

In the case of Notes other than Instalment Notes insert:

### [(1)] *Redemption at Maturity.*

[Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on **[in the case of a specified Maturity Date insert such Maturity Date]** **[in the case of a Redemption Month insert: the Interest Payment Date falling in [insert Redemption Month]]** (the "Maturity Date"). The Final Redemption Amount in respect of each Note shall be **[if the Notes are redeemed at their principal amount insert: its principal amount]** **[otherwise insert Final Redemption Amount per denomination].**]

In the case of Instalment Notes insert:

[Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at the Instalment Date(s) and in the Instalment Amount(s) set forth below:

Instalment Date(s)	Instalment Amount(s)
<b>[insert Instalment Date(s)]</b>	<b>[insert Instalment Amount(s)]</b>
[ ]	[ ]
[ ]	[ ]

If Notes are subject to Early Redemption at the Option of the Issuer insert:

### (2) *Early Redemption at the Option of the Issuer.*

(a) The Issuer may, upon notice given in accordance with clause (b), redeem **[all]** **[some]** of the Notes on the Call Redemption Date[s] at the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Call Redemption Date. **[If Minimum Redemption Amount or Higher Redemption Amount applies insert: Any such redemption must be of a principal amount equal to [at least [insert Minimum Redemption Amount]] [Higher Redemption Amount].]**

Call Redemption Date(s)	Call Redemption Amount(s)
<b>[insert Call Redemption Date(s)]</b>	<b>[insert Call Redemption Amount(s)]</b>
[ ]	[ ]
[ ]	[ ]

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 10. 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 Call Redemption Date, which shall be not less than **[insert Minimum Notice to Holders]** nor more than **[insert Maximum Notice to Holders]** 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 Dual Currency Notes, insert all applicable provisions here and in the relevant Final Terms]**

**[In the case of Index-linked Notes, insert all applicable provisions here and in the relevant Final Terms]**

**[In the case of Credit Linked Notes, insert all applicable provisions here and in the relevant Final Terms].**

**[In the case of other structured Notes, insert all applicable provisions here and in the relevant Final Terms]]**

## § 6

### FISCAL AGENT[, ] [AND] [PAYING AGENT[S]] [AND CALCULATION AGENT]

(1) *Appointment; Specified Offices.* The initial Fiscal Agent[[, ] [and] Paying Agent[s]] [and the Calculation Agent] and [its] [their] respective initial specified offices office[s] are:

Fiscal Agent: BNP Paribas Securities Services,  
Luxembourg Branch  
33, Rue de Gasperich  
Howald-Hesperange

L-2085 Luxembourg  
Luxembourg

**[Paying Agent[s]: [insert other Paying Agents and specified offices]]**

**[Calculation Agent:] [BNP Paribas Securities Services,  
Luxembourg Branch  
33, Rue de Gasperich  
Howald-Hesperange**

**L-2085 Luxembourg  
Luxembourg]**

The Fiscal Agent[[, ] [and] the Paying Agent[s]] [and the Calculation Agent] reserve[s] the right at any time to change [its] [their] respective specified office[s] to some other specified office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent [or the Calculation Agent] 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[[, ] [and] (ii) a Paying Agent in addition to the Fiscal Agent with a specified office in a continental European city] **[in the case of Notes listed on a stock exchange insert: [, ] [and] [(iii)]** 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] **[in the case of payments in U. S. dollars insert: [, ] [and] [(iv)]** if payments at or through the offices of all Paying Agents outside the United States (as defined in § 4 hereof) 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 dollars, a

Paying Agent with a specified office in New York City] [if any Calculation Agent is to be appointed insert: and [(v)] a Calculation Agent [if Calculation Agent is required to maintain a Specified Office in a Required Location insert: with a specified office located in [insert Required Location]]. Any variation, termination, appointment or 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 § 10.

(3) *Agents of the Issuer.* The Fiscal Agent[[,] [and] the Paying Agent[s]] [and the Calculation Agent] act[s] solely as agent[s] of the Issuer and do[es] not have any obligations towards or relationship of agency or trust to any Holder.

## § 7 TAXATION

All amounts payable in respect of the Notes shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction at source by or on behalf of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law.

## § 8 PRESENTATION PERIOD

The presentation period provided in § 801 paragraph 1, sentence 1 BGB (*German Civil Code*) is reduced to ten years for the Notes.

## § 9 FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

(3) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

## § 10 NOTICES

In the case of Notes which are listed on a Stock Exchange and where notices shall be given by means of publication in newspapers Insert:

[(1) *Publication.* All notices concerning the Notes shall be published in a leading daily newspaper having general circulation in [Germany] [Luxembourg] [London] [specify other location]. These newspapers are expected to be the [Börsen-Zeitung] [d'Wort] [Financial Times] [insert other applicable newspaper having general circulation]. Any notice so given 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 of any such publication).]

If notices may be given by means of electronic publication on the website of the relevant Stock Exchange insert:

[(1) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the [insert relevant stock exchange] ([www.\[insert internet address\]](http://www.[insert internet address])). Any notice so given 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*

In the case of Notes which are unlisted insert:

[The Issuer shall deliver all notices concerning the Notes 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 which are listed on a Stock Exchange insert:

[So long as any Notes are listed on a stock exchange, subparagraph (1) shall apply. If the Rules of the [insert relevant stock exchange] 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 in the newspapers set forth in subparagraph (1) above; 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.]

§ 11

**APPLICABLE LAW, PLACE OF PERFORMANCE,  
PLACE OF JURISDICTION AND ENFORCEMENT**

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Place of Performance.* Place of performance shall be Essen.

(3) *Submission to Jurisdiction.* The District Court (*Landgericht*) in Essen shall have non-exclusive jurisdiction for any action or other legal proceedings ("Proceedings") arising out of or in connection with the Notes. The jurisdiction of such Court shall be exclusive if Proceedings are brought by merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) and persons not subject to the general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*). The German courts shall have exclusive jurisdiction over the annulment of lost or destroyed Notes.

(4) *Enforcement.* Any Holder of Notes may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorized officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global note representing the Notes. For purposes of the foregoing, "Custodian" means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.

§ 12

## LANGUAGE

If the Conditions shall be in the German language with an English language translation insert:

[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 Conditions shall be in the English language with a German language translation insert:

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

If the Conditions shall be in the English language only insert:

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

In the case of Notes that 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 only insert:

[Eine deutsche Übersetzung der Emissionsbedingungen wird bei der Hypothekenbank in Essen Aktiengesellschaft, Gildehofstrasse 1, D-45127 Essen, zur kostenlosen Ausgabe bereitgehalten.]



## C. TERMS AND CONDITIONS OF PARTICIPATION CERTIFICATES

### § 1

#### ISSUE AND PRINCIPAL AMOUNT

(1) Hypothekenbank in Essen Aktiengesellschaft ("Essen Hyp" or the "Issuer") issues pursuant to § 10(5) of the German Banking Act (*Kreditwesengesetz*) participation certificates (the "Participation Certificates") based on an authorisation of the general meeting of the shareholders on **[insert date of general meeting]** in the aggregate principal amount of Euro **[insert aggregate principal amount]** (in words: Euro **[insert aggregate principal amount in words]**).

(2) The Participation Certificates are in bearer form, shall rank pari passu among themselves and are divided into **[insert number of Participation Certificates]** Participation Certificates in the principal amount of Euro **[insert principal amount]** each.

(3) The Participation Certificates are represented by a global bearer certificate which is deposited with Clearstream Banking AG, Frankfurt am Main. Each global bearer certificate is manually signed by two authorised representatives of the Issuer. Definitive Participation Certificates will not be issued.

### § 2

#### DISTRIBUTIONS

In case of fixed rate distribution insert:

[(1) The holders of the Participation Certificates (the "Holders") are entitled to receive as from **[insert interest commencement date]** an annual distribution ranking senior to the divided claims of the shareholders of Essen Hyp at a rate of **[insert rate]** %. The annual distribution is limited as no balance sheet loss shall be incurred by it.]

In case of floating rate distribution insert:

[(1)(a) The holders of the Participation Certificates (the "Holders") are entitled to receive an annual distribution payment as from **[insert Interest Commencement Date]** that corresponds to the total of the distribution installments from the **[three] [six] [nine] [twelve]**-monthly distribution rates calculated on the relevant reference date in accordance with sub-paragraph (b). The annual distribution is limited as no balance sheet loss shall be incurred by it.

"Reference Dates" are the **[insert Reference Dates]** of each year. The period between a Reference Date (inclusive) and the next Reference Date (exclusive) are referred to hereinafter as a "Reference Period". The last Reference Period ends with the end of the term of the Participation Certificate in accordance with § 5.

(b) The variable distribution rate applicable to each Reference Period for determining the distribution payment in respect of the Participation Certificates shall be determined by the Paying Agent under the following criteria:

The distribution rate for each Reference Period will, except as provided below, be the offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for that Reference Period which appears on the Screen Page as of 11:00 a.m. (**[Brussels] [London]** time) on the Determination Date (as defined below) **[in the case of Margin insert: plus] [minus]** the Margin (as defined below), all as determined by the Paying Agent.

"Determination Date" means the **[second] [insert other applicable number of days] [London] [TARGET] [insert other relevant reference]** Business Day prior to the commencement of the relevant Interest Period. **[In case of a non-**

**TARGET Business Day insert:** "[London] [insert other relevant location] Business Day" means a day which is a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in [London] [insert other relevant location].] **[In case of a TARGET Business Day insert:** "TARGET Business Day" means a day on which TARGET is operating.]

**[In the case of Margin insert:** "Margin" means [•] per cent. per annum.]

"Screen Page" means [insert relevant Screen Page].

If the Screen Page is not available or if no such quotation appears, in each case as at such time, the Paying Agent shall request each of the Reference Banks (as defined below) [in the euro-zone] to provide the Paying Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Reference Period to leading banks in the [London] interbank market [in the euro-zone] at approximately 11.00 a. m. ([Brussels] [London] time) on the Determination Date. If two or more of the Reference Banks provide the Paying Agent with such offered quotations, the distribution rate for such Reference Period shall be the arithmetic mean (rounded, if necessary, to the nearest one [if the Reference Rate is EURIBOR insert: thousandth of a percentage point, with 0.0005] [if the Reference Rate is not EURIBOR insert: hundred-thousandth of a percentage point, with 0.000005] being rounded upwards) [insert other applicable rounding provision pursuant to the rounding convention of the applicable offered quotation] of such offered quotations [in the case of Margin insert: [plus] [minus] the Margin], all as determined by the Paying Agent.

If on any Determination Date only one or none of the Reference Banks provides the Paying Agent with such offered quotations as provided in the preceding paragraph, the distribution rate for the relevant Reference Period shall be the rate per annum which the Paying Agent determines as being the arithmetic mean (rounded, if necessary, to the nearest one [if the Reference Rate is EURIBOR insert: thousandth of a percentage point, with 0.0005] [if the Reference Rate is not EURIBOR insert: hundred-thousandth of a percentage point, with 0.000005] being rounded upwards) [insert other applicable rounding provision pursuant to the rounding convention of the applicable offered quotation] of the rates, as communicated to (and at the request of) the Paying Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at 11.00 a. m. ([Brussels] [London] time) on the relevant Determination Date, deposits in the Specified Currency for the relevant Reference Period by leading banks in the [London] interbank market [in the euro-zone] [in the case of Margin insert: [plus] [minus] the Margin] or, if fewer than two of the Reference Banks provide the Paying Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Reference Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Reference Period, at which, on the relevant Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Paying Agent and the Issuer suitable for such purpose) inform(s) the Paying Agent it is or they are quoting to leading banks in the [London] interbank market [in the euro-zone] (or, as the case may be, the quotations of such bank or banks to the Paying Agent) [in the case of Margin insert: [plus] [minus] the Margin]. If the distribution rate cannot be determined in accordance with the foregoing provisions of this paragraph, the distribution rate shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Determination Date on which such quotations were offered [in the case of Margin insert: [plus] [minus] the Margin] (though substituting, where a different Margin is to be applied to the relevant Reference Period from that which applied to the last preceding

Reference Period, the Margin relating to the relevant Reference Period in place of the Margin relating to that last preceding Reference Period]].

As used herein, "Reference Banks" means those offices of four of such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page.

**[In the case of euro-zone interbank market insert: "Euro-Zone" means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and the Amsterdam Treaty of October 2, 1997, as further amended from time to time.]**

(c) The Paying Agent will, on or as soon as practicable after each time at which the distribution rate is to be determined, calculate the distribution amount (the "Distribution Amount") payable on the Participation Certificates for the relevant Reference Period. Each Distribution Amount shall be calculated by applying the distribution rate and the Day Count Fraction (as defined below) to the aggregate principal amount of the Participation Certificates and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

"Day Count Fraction" means, in respect of the calculation of a Distribution Amount on any Participation Certificate for any period of time (the "Calculation Period") the actual number of days in the Calculation Period divided by 360.]

(2) The distribution on the Participation Certificates for the current fiscal year shall be payable on **[insert date of distribution]** of the following year. **[If the distributions for the first and the second fiscal year are made at the same time insert: The distribution for the fiscal year [insert relevant fiscal year] will be made together with the distribution for the fiscal year [insert relevant fiscal year] on [insert distribution date].** If such day is not a Banking Day in Frankfurt am Main, payment shall be made on the next Banking Day in Frankfurt am Main. If the general meeting of shareholders has not decided on the distribution of profits for the preceding fiscal year, payment will become due on the first Banking Day in Frankfurt am Main succeeding the day on which the general meeting of shareholders took place.

(3) In the event that a balance sheet loss is caused by payment of the distributions under the Participation Certificates, the amount of distributions to be paid hereunder shall be reduced *pro rata* to all distribution claims under any other participation certificates which have been issued or will have been issued by the Issuer and are outstanding at the time of such payment *provided that* the terms and conditions of such participation certificates contain relevant provisions to such effect.

In the event of the reduction of the distributions, the difference shall be payable, subject to Paragraph 3 Sentence 1, in the subsequent fiscal years. The subsequent payments for the Participation Certificates and any previously issued Participation Certificates shall be made in the ratio of each of the given distribution claims to each other. This shall apply *mutatis mutandis* to participation certificates to be issued in the future to the extent that the conditions there provide for a corresponding subsequent payment. On subsequent payment in respect of a particular Participation Certificate shall satisfy, the distribution claims arising out of the Participation Certificates in the order in which they would have been originally payable. A claim for subsequent payment shall only exist with respect to fiscal years that end during the term of the Participation Certificates.

### § 3

#### NATURE OF PARTICIPATION CERTIFICATES

The Participation Certificates do not represent any shareholder rights, in particular any purchase right, any share in the dissolution proceeds of the Issuer and any attendance, participation or voting rights at the shareholders' meetings of Essen Hyp.

### § 4

#### ISSUE OF ADDITIONAL PARTICIPATION CERTIFICATES

- (1) Essen Hyp reserves a right to issue further Participation Certificates at the same or other conditions from time to time.
- (2) The Holders shall only be entitled to subscription rights in respect of further Participation Certificates if such is approved by the shareholders' meeting of Essen Hyp.
- (3) The Holders shall not be entitled to request that their distribution claims rank senior or equal to any distribution claims of additional Participation Certificates.

### § 5

#### TERM, TERMINATION BY THE ISSUER

(1) The term of the Participation Certificates shall end on **[insert date]**. Subject to the conditions set forth in § 6, the Participation Certificates shall be repaid at their nominal amount. The amount repayable shall be due on **[insert repayment date]**. § 2 (3) shall apply *mutatis mutandis*. The amount repayable shall bear interest at **[insert rate of interest determined in § 2 insert other applicable rate of interest]** from the end of the term of the Participation Certificates until the day prior to **[insert repayment date]**.

~~[(2)]~~ Essen Hyp may terminate the Participation Certificates at not less than two years' notice to the end of a financial year, but not before **[insert Call Date]**, by giving notice pursuant to § 11, should any statutory provision be issued, amended or applied in the Federal Republic of Germany in such a way that Essen Hyp would be obliged to pay additional amounts. Under these circumstances, notice may not be given, subject to the date specified in sentence 1, before the end of the financial year preceding the interest payment on which the Issuer would be bound to levy tax for the first time. Participation Certificates terminated to the end of a calendar year will be redeemed on **[insert Date of Termination]** of the following year, subject to the provisions of § 6.

~~[(3)]~~ The Holders may not terminate their Participation Certificates.

### § 6

#### PARTICIPATION IN BALANCE SHEET LOSSES; REVIVAL OF CLAIMS FOR REPAYMENT

(1) The Holders shall participate in the annual losses (*Jahresfehlbetrag*) in full. Should a balance sheet loss be recorded in the balance sheet of Essen Hyp or is the shareholders equity of Essen Hyp reduced to compensate losses, the claim for repayment by the Holders shall be reduced. In the event of a balance sheet loss the repayment amount shall be reduced in such proportion to the total balance sheet loss which corresponds to the share of such claim in the Issuer's shareholders equity (~~[including participation capital,]~~ but without taking into account any other subordinated liabilities). In the event of a reduction in

shareholders equity, the claim for repayment by the Holders shall be reduced in the same proportion as the shareholders equity is reduced. Loss carry-forwards from previous years shall be disregarded.

(2) If Essen Hyp records annual net income in the fiscal years following the participation of the Holders in the balance sheet loss, such annual net income is to be used, after allocation of any amounts required by law to replenish legal reserves, to increase the claims for repayment of the principal up to the nominal amount of the Participation Certificates prior to making other distributions of net income. The replenishment obligation shall only exist until the end of the term of the Participation Certificates.

Should net income be insufficient to replenish these or any other participation certificates issued previously, the capital of the Participation Certificates shall be replenished at a ratio of the aggregate nominal amount of these Participation Certificates to the aggregate nominal amount of any previously issued participation certificates. This shall apply *mutatis mutandis* to any participation certificates to be issued in the future to the extent that the conditions thereof provide for such a replenishment claim accordingly.

## **§ 7 SUBORDINATION**

Any claims arising from the Participation Certificates shall be subordinated to all other non-subordinated claims of any other creditors of Essen Hyp. In the event of any insolvency proceedings over the assets or the liquidation of Essen Hyp, payments shall not be made to the Holders until all other non-subordinated creditors are satisfied but prior to making any payments to shareholders. The Participation Certificates do not grant any share in the proceeds of liquidation.

## **§ 8 NOTICE PURSUANT TO § 10(5) OF THE GERMAN BANKING ACT**

The participation in losses (§ 6) may not be subsequently modified, the subordination of the Participation Certificates (§ 7) may not be subsequently limited and the term and notice period may not be subsequently shortened. Except in cases in which § 10(5) Sentence 6 of the German Banking Act applies, early repurchase or redemption shall be repaid to Essen Hyp irrespective of any agreement to the contrary except to the extent that the capital has not been replaced by other at least equivalent liable capital, or that the Federal Financial Supervisory Authority has approved early repurchase or redemption.

## **§ 9 PAYING AGENT**

[Essen Hyp is the Paying Agent. Essen Hyp is entitled to appoint other paying agents and to revoke the appointment of individual paying agents pursuant to § 11.]

## **§ 10 APPLICABLE LAW, PLACE OF PERFORMANCE, PLACE OF JURISDICTION**

(1) The conditions of the Participation Certificates as well as all rights and obligations arising thereunder shall be exclusively governed by the laws of the Federal Republic of Germany. Place of performance is Essen.

(2) Exclusive place of jurisdiction in respect of any and all disputes arising in connection with the legal relationships set forth in these conditions of the

Participation Certificates shall be Essen, Germany for merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) and persons not subject to general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*).

### § 11 NOTICES

(1) All notices relating to the Participation Certificates shall be published in the Federal Gazette (*Bundesanzeiger*) as well as in the newspaper authorised by the stock exchange on which the Participation Certificates are listed for trading.

(2) The conditions of legal effectiveness shall be satisfied by a publication made in the Federal Gazette (*Bundesanzeiger*).

### § 12 SEVERABILITY CLAUSE

Should any of the provisions in these Terms and Conditions of the Participation Certificates be or become legally ineffective in whole or in part, the validity of the remaining provisions shall remain unaffected. The ineffective provisions shall be replaced by effective provisions in accordance with the aim and purpose of these Terms and Conditions of the Participation Certificates which come as close as legally possible in its economic effects to those of the ineffective provisions.

### § 13 LANGUAGE

If the Conditions are to be in the German language with an English language translation insert:

[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 Conditions are to be in the English language only insert:

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

If the Conditions are to be in the English language with a German language translation insert:

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

In case of Participation Certificates with English language Conditions only that are to be publicly offered, in whole or in part, in Germany or distributed, in whole or in part, to nonprofessional investors in Germany insert:

[Eine deutsche Übersetzung der Emissionsbedingungen wird bei der Hypothekenbank in Essen Aktiengesellschaft, Gildehofstrasse 1, D-45127 Essen, zur kostenlosen Ausgabe bereitgehalten.]

## D. TERMS AND CONDITIONS OF GLOBAL PFANDBRIEFE

### § 1 GENERAL PROVISIONS

(1) The issue of the [insert rate of interest] % [in the case of Mortgage Pfandbriefe insert: Global Mortgage Pfandbriefe] [in the case of Public Pfandbriefe insert: Global Public Pfandbriefe] of Hypothekbank in Essen Aktiengesellschaft, Gildehofstrasse 1, 45127 Essen, Federal Republic of Germany (the "Issuer") in the aggregate principal amount of [€/USD] [insert aggregate principal amount in words] ([€/USD] [insert aggregate principal amount]) is divided into [insert number of Pfandbriefe] [in the case of Mortgage Pfandbriefe insert: Global Mortgage Pfandbriefe] [in the case of Public Pfandbriefe insert: Global Public Pfandbriefe], in the principal amount of [€/USD] [insert principal amount] each, which rank *pari passu* among themselves (the "Pfandbriefe" or the "Issue", respectively).

(2) During the entire time of the Issue, the Pfandbriefe together with interest claims are represented by two permanent global certificates without interest coupons. One of the two permanent global certificates (the "**CBF Global Certificate**") will be kept in custody by Clearstream Banking AG, Frankfurt am Main ("**CBF**") or its successor in business until all obligations of the Issuer under the Pfandbriefe have been satisfied. The CBF Global Certificate has been issued in bearer form and represents the Pfandbriefe kept in custody for financial institutions that are accountholders of CBF, including such Pfandbriefe which are held through Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme, Luxembourg ("**CBL**"), each of which maintains an account with CBF. The other permanent global certificate (the "**DTC Global Certificate**") will be kept in custody by [J. P. Morgan Trust Company, National Association][other custodian], or any successor, as custodian for The Depository Trust Company, New York, ("**DTC**") until all obligations of the Issuer under the Pfandbriefe have been satisfied. The DTC Global Certificate has been issued in registered form in the name of Cede & Co., as nominee of DTC, and represents the Pfandbriefe kept in custody for financial institutions that are participants in DTC ("**DTC Participants**"). The CBF Global Certificate and the DTC Global Certificate shall each be manually signed by two authorized representatives of the Issuer and the trustee officially appointed. Together, the Pfandbriefe represented by the CBF Global Certificate and the DTC Global Certificate, respectively, will equal the aggregate principal amount of the Pfandbriefe outstanding at any time. The amount of Pfandbriefe represented by each of the CBF Global Certificate and the DTC Global Certificate is evidenced by the register (the "**Register**") maintained for that purpose by the Registrar. Definitive certificates representing individual Pfandbriefe and interest coupons shall not be issued. Copies of the CBF Global Certificate and the DTC Global Certificate are available free of charge at the German Paying Agent.

(3) Transfers of Pfandbriefe shall require appropriate entries in securities accounts:

(a) Transfers of Pfandbriefe between CBF accountholders on the one hand and DTC participants on the other hand shall be recorded in the Register and shall be effected by an increase or a reduction in the aggregate amount of Pfandbriefe represented by the DTC Global Certificate and a corresponding reduction or increase in the aggregate amount of Pfandbriefe represented by the CBF Global Certificate. Pfandbriefe represented by the DTC Global Certificate may be transferred to a CBF accountholder only if the Registrar (as defined in § 8) receives a written certificate from the transferor in the form required to the effect that such transfer is being made in accordance with Regulation S under the U.S. Securities Act of 1933, as amended.

(b) Transfers of Pfandbriefe between CBF accountholders, DTC participants, Euroclear participants or CBL participants shall be effected in accordance with procedures established for this purpose by CBF, DTC, Euroclear and CBL, respectively.

(c) Transfers of Pfandbriefe between Euroclear participants on the one hand and CBL participants on the other hand shall be effected in accordance with procedures established for these purposes by Euroclear and CBL, respectively.

(d) Transfers of Pfandbriefe between Euroclear or Clearstream participants on the one hand and CBF Accountholders on the other hand shall be effected via CBF in accordance with the procedures established for this purpose.

(4) One and the same Holder may exchange Pfandbriefe represented by the CBF Global Certificate for Pfandbriefe represented by the DTC Global Certificate. Such exchanges shall be recorded in the Register and shall be effected by an increase in the aggregate amount of Pfandbriefe represented by the DTC Global Certificate by the aggregate principal amount of Pfandbriefe so exchanged and a corresponding reduction in the aggregate amount of Pfandbriefe represented by the CBF Global Certificate.

(5) Transfers of Pfandbriefe pursuant to subsection (3)(a) or exchanges of Pfandbriefe pursuant to subsection (4) may not be effected during the period commencing on the Record Date (as defined in § 4(2)) and ending on the related payment date (both dates inclusive).

## § 2 INTEREST

(1) The Pfandbriefe shall bear interest at the rate of **[insert rate of interest]** % per annum as from **[insert interest commencement date]**. Interest shall be payable in arrear on **[insert fixed interest date or dates]** of each year. The first interest payment shall become due on **[insert first interest payment date]**<sup>(1)</sup> **[if first interest payment date is not first anniversary of the issue date insert: and will amount to [insert initial broken amount] per note in a principal amount of [insert principal amount].** The Pfandbriefe shall cease to bear interest upon the end of the day preceding the day on which they become due for repayment. **[If date on which the Pfandbriefe become due is not a fixed interest date insert: Interest in respect of the period from [insert fixed interest date preceding the date on which the Pfandbriefe become due] (inclusive) to the day on which they become due for repayment (exclusive) will amount to [insert final broken amount] per note in a principal amount of [insert principal amount].]**

(2) Should the Issuer for any reason whatsoever fail to provide when due the full amount for the redemption of the Pfandbriefe due for redemption, the Pfandbriefe shall continue to bear interest as provided in subsection (1) above until their actual redemption.

**[(3) Interest shall be calculated on the basis of the actual number of days in the calculation period divided by 365 (or, if any calculation portion of that period falls in a leap year, the sum of (A) the actual number of days in that portion of the interest falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period not falling in a leap year divided by 365).]**

If the Specified Currency is  
Euro insert:

<sup>(1)</sup> If the first interest payment date is not 1 year (i. e., generally 365 days) or less from the issue date, then the Pfandbriefe will be deemed to be issued with original issue discount for U. S. federal income tax purposes. If this were to happen, interest (including any discount) would be required to be accrued using a constant yield method by a U. S. holder of the Pfandbriefe, regardless of its method of accounting.



If the Specified Currency is  
USD insert:

[(3) Interest shall be calculated on the basis of the the number of days in the calculation period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the calculation period is the 31st day of a month but the first day of the calculation period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the calculation period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month)]

### § 3 REPAYMENT

The Issuer undertakes to repay the Pfandbriefe at their principal amount on **[insert specified maturity date]**. Neither the Issuer nor any holder of Pfandbriefe ("Holder") may call the Pfandbriefe for redemption.

### § 4 PAYMENTS

(1) (a) Payments of principal of, and interest on, the Pfandbriefe shall be made on the relevant payment date to CBF **[if the Specified Currency is Euro insert: in Euro] [if the Specified Currency is USD: in USD]** and to the registered holder of the DTC Global Certificate **[if the Specified Currency is Euro insert: in USD or Euro as set forth below] [if the Specified Currency is USD: in USD]**. The amount of payments to CBF and to the registered holder of the DTC Global Certificate, respectively, shall correspond to the aggregate principal amount of Pfandbriefe represented by the CBF Global Certificate and the DTC Global Certificate, as established by the Registrar at the close of business on the relevant Record Date (as defined in subsection (2)). Payments of principal shall be made upon surrender of the CBF Global Certificate and the DTC Global Certificate, as the case may be, to the relevant Paying Agent.

If the Specified Currency is  
Euro insert:

(b) Any Holder holding Pfandbriefe through DTC (a "DTC Pfandbrief Holder") shall receive payments of principal and interest in respect of the Pfandbriefe in USD, unless such DTC Pfandbrief Holder elects to receive payments in Euro in accordance with the procedures set out below. To the extent that DTC Pfandbrief Holders shall not have made such election in respect of any payment of principal or interest, the aggregate amount designated for all such DTC Pfandbrief Holders in respect of such payment (the "Euro Conversion Amount") shall be credited to the New York Paying Agent's account with the German Paying Agent and converted by the New York Paying Agent into USD and paid by wire transfer of same day funds to the registered holder of the DTC Global Certificate for payment through DTC's settlement system to the relevant DTC participants. All costs of any such conversion and wire transfer shall be deducted from such payments. Any such conversion shall be based on the New York Paying Agent's bid quotation, at or prior to 11:00 a.m. New York time, on the second New York Business Day (as defined in subsection (3)) preceding the relevant payment date, for the purchase by the New York Paying Agent of USD with the Euro Conversion Amount for settlement on such payment date. If such bid quotation is not available, the New York Paying Agent shall obtain a bid quotation from a leading foreign exchange bank in New York City selected by the New York Paying Agent for such purpose. If no bid quotation from a leading foreign exchange bank is available, such Euro Conversion Amount shall remain in the account of the New York Paying Agent with the German Paying Agent accruing interest at the rate of interest quoted by the German Paying Agent for deposits with it on an overnight basis, until instructions are received by DTC from the relevant DTC Pfandbrief Holders for the onward payment of such funds, together with a pro rata share of accrued

overnight interest.

(c) Any DTC Pfandbrief Holder may elect to receive payment of principal and interest with respect to the Pfandbriefe in Euro by causing DTC through the relevant DTC participant to notify the New York Paying Agent by the time specified below of (i) such DTC Pfandbrief Holder's election to receive all or a portion of such payment in Euro and (ii) wire transfer instructions to a Euro account. Such election in respect of any payment shall be made by the DTC Pfandbrief Holder at the time and in the manner required by the DTC procedures applicable from time to time and shall, in accordance with such procedures, be irrevocable. DTC's notification of such election, wire transfer instructions and of the amount payable in Euro pursuant to this subsection (1)(c) must be received by the New York Paying Agent prior to 5:00 p.m. New York time on the fifth New York Business Day (as defined in subsection (3)) following the relevant Record Date (as defined in subsection (2)) in the case of interest and prior to 5:00 p.m. New York time on the eighth New York Business Day prior to the payment date for the payment of principal. Any payments under this subsection (1)(c) in Euro shall be made by wire transfer of same day funds to Euro accounts designated by DTC.

[(b)][(d)] All payments made by the Issuer to CBF and to, or to the order of, the registered holder of the DTC Global Certificate, respectively, shall discharge the liability of the Issuer under the Pfandbriefe to the extent of the sums so paid.

(2) The record date (the "**Record Date**") for purposes of payments of principal and interest shall be, in respect of each such payment, the earlier of the following dates: (a) the date determined in accordance with the conventions observed by CBF from time to time for the entitlement of CBF accountholders to payments in respect of debt securities denominated in **[if the Specified Currency is Euro insert: Euro] [if the Specified Currency is USD insert: USD]** and represented by permanent global certificates, and (b) the tenth New York Business Day (as defined in subsection (3)), preceding the relevant due date.

(3) If any due date for payment of principal or interest in Euro in respect of any Pfandbriefe is not a Frankfurt Business Day, such payment will not be made until the next following Frankfurt Business Day, and no further interest shall be paid in respect of the delay in such payment.<sup>(2)</sup> If any date for payment of principal and interest in USD is not a Frankfurt Business Day or not a New York Business Day, such payment shall not be made until the next day which is both a Frankfurt Business Day and a New York Business Day, and no further interest shall be paid in respect of the delay in such payment.<sup>(2)</sup> A "Frankfurt Business Day" means a day (other than a Saturday or a Sunday) on which **[if the Specified Currency is Euro insert: both]** the CBF **[if the Specified Currency is Euro insert: and the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** settle[s] payments, and a "New York Business Day" means a day (other than a Saturday or a Sunday) on which banking institutions in New York City are not obligated and not authorized to close.

(4) For the purposes of these Terms and Conditions "payment date" means the day on which the payment is actually to be made, where applicable as adjusted in accordance with subsection (3), and "due date" means the payment date provided for herein, without taking account of any such adjustment.

<sup>(2)</sup> If any interest payment date on the Pfandbriefe is postponed such that it will not fall 1 year (i. e., generally 365 days) or less from prior interest payment date, then the Pfandbriefe will be deemed to be issued with original issue discount for U. S. federal income tax purposes. If this were to happen, interest (including any discount) would be required to be accrued using a constant-yield method by a U. S. holder of the Pfandbriefe, regardless of its method of accounting.

**§ 5  
TAXES**

All payments of principal and interest in respect of the Pfandbriefe shall be made by the Issuer without deduction or withholding for or on account of any present or future taxes or other duties of whatever nature levied by or on behalf of the Federal Republic of Germany or any taxing authority therein, unless the Issuer shall be obligated by law to make such deduction or withholding.

**§ 6  
STATUS**

The obligations under the Pfandbriefe constitute direct and unconditional obligations of the Issuer. The Pfandbriefe are covered in accordance with the Pfandbrief Act (*Pfandbriefgesetz*) and rank *pari passu* with all other obligations of the Issuer under [in the case of Mortgage Pfandbriefe insert: Mortgage Pfandbriefe] [in the case of Public Pfandbriefe insert: Public Pfandbriefe].

**§ 7  
FURTHER ISSUES**

The Issuer reserves the right, from time to time without the consent of the Holders, to issue additional Pfandbriefe, on terms identical in all respects to those set forth herein, so that such additional Pfandbriefe shall be consolidated with, form a single issue with and increase the aggregate principal amount of, the Pfandbriefe.<sup>(3)</sup> The term "Pfandbriefe" shall, in the event of such increase, also include such additionally issued Pfandbriefe.

**§ 8  
REGISTRAR AND PAYING AGENTS**

(1) The initial Registrar (the "**Registrar**"), German paying agent (the "**German Paying Agent**") and New York paying agent (the "**New York Paying Agent**", and together with the German Paying Agent, the "**Paying Agents**") and their respective initial specified offices are:

Registrar:                   BNP Paribas Securities Services,  
Luxembourg Branch  
33, Rue de Gasperich  
Howald-Hesperange  
L-2085 Luxembourg  
Luxembourg

German Paying Agent:   [Hypothekenbank in Essen AG  
Gildehofstrasse 1  
D-45127 Essen  
Germany]

New York Paying Agent: [insert address of New York Paying Agent]

The Registrar and the Paying Agents reserve the right at any time to change their respective specified offices to some other specified offices.

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<sup>(3)</sup> If the Issuer were to issue additional Pfandbriefe with more than a de minimis amount of original issue discount for U. S. federal income tax purposes, then purchasers of Pfandbriefe after the date of any further issue may not be able to differentiate between Pfandbriefe sold as part of the further issue and previously issued Pfandbriefe. Accordingly, purchasers of Pfandbriefe after such further issue may be required to accrue original issue discount (or greater amounts of original issue discount than they would otherwise have accrued) with respect to their Pfandbriefe. This may affect the price of outstanding Pfandbriefe following a further issue.

(2) The Issuer reserves the right at any time to vary or terminate the appointment of the Registrar or any of the Paying Agents and to appoint another Registrar or other Paying Agents. The Issuer shall for as long as any Pfandbriefe shall be outstanding maintain a (i) Registrar, (ii) German Paying Agent and (iii) New York Paying Agent to perform the functions assigned to any of them in these Conditions. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 not more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 9.

(3) The Registrar or the Paying Agents shall act solely as agent for the Issuer and shall not have any agency or trustee relationship with the Holders.

## § 9 NOTICES

(1) All notices regarding the Pfandbriefe shall be published in the following journals: (a) a mandatory newspaper designated by the Düsseldorf Stock Exchange; (b) a leading daily newspaper printed in the English language and of general circulation in New York City [;][and] (c) a leading daily newspaper printed in the English language and of general circulation in London **[if Notes are also listed on the Luxembourg Stock Exchange: and (d) a leading daily newspaper of general circulation in Luxembourg]**. It is expected that notices under (b) [;][and] (c) **[if Notes are also listed on the Luxembourg Stock Exchange: (d)]** above will normally be published in The Wall Street Journal [;][and] the Financial Times **[if Notes are also listed on the Luxembourg Stock Exchange: and d'Wort]**, respectively. Any notice will become effective for all purposes on the date of its publication in a mandatory newspaper designated by the Düsseldorf Stock Exchange.

(2) Any publication provided for under subsection (1) may, provided that, as long as the Pfandbriefe are listed on the Düsseldorf **[if Notes are also listed on the Luxembourg Stock Exchange: and Luxembourg]** Stock Exchange, the rules of the Düsseldorf **[if Notes are also listed on the Luxembourg Stock Exchange: and Luxembourg]** Stock Exchange so permit, be substituted with the delivery of the relevant notice to the applicable clearing system for communication by it to the Holders. Any such notice shall be deemed to have been given to all Holders on the seventh day after the day on which the said notice was given the respective clearing systems.

## § 10 GOVERNING LAW, JURISDICTION, ENFORCEMENT

(1) The Pfandbriefe shall be governed by and shall be construed in accordance with the laws of the Federal Republic of Germany. Transfers and pledges of Pfandbriefe held through DTC and executed between DTC participants and between DTC and DTC participants will be governed by the laws of the State of New York (including the conflicts of law rules of the State of New York).

(2) Any action or other legal proceedings ("Proceedings") arising out of or in connection with the Pfandbriefe may be brought in the District Court (*Landgericht*) in Essen (non-exclusive jurisdiction). The Issuer hereby submits to the jurisdiction of such court.

(3) Any Holder may in any Proceedings against the Issuer or to which such Holder and the Issuer are parties protect and enforce in its own name its rights arising under its Pfandbriefe on the basis of (a) a certificate issued by its Custodian (i) stating the full name and address of the Holder, (ii) specifying an aggregate principal amount of Pfandbriefe credited on the date of such statement to such Holder's securities account maintained with such Custodian and (iii) confirming that the Custodian has given a written notice to CBF or DTC, as the case may be, and the registrar for the Pfandbriefe containing the

information pursuant to (i) and (ii) and bearing acknowledgments of CBF or DTC and the relevant CBF accountholder or DTC participant and (b) a copy of the CBF Global Certificate or the DTC Global Certificate certified as being a true copy by a duly authorised officer of CBF or DTC, as the case may be, or the registrar for the Pfandbriefe. For purposes of the foregoing, "Custodian" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of any Pfandbriefe and includes CBF, DTC or CBL and Euroclear.

**§ 11  
LANGUAGE**

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

## PART II – SUPPLEMENT TO THE BASIC TERMS

### DEFINITIVE NOTES

If the applicable Final Terms provide for the issue of definitive Notes the Terms and Conditions of Notes (other than Pfandbriefe and Participation Certificates) set out in PART I (A) shall be supplemented, to the extent specified below, subject to all of the terms of the applicable Final Terms.

**[§ 1(3)(a) (CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS – Temporary Global Note – Exchange) to be replaced by:**

(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 **[if the Temporary Global Note is exchangeable for Definitive Notes only insert:** individual Notes in the Specified Denominations in definitive form ("Definitive Notes") **[if the Notes are issued with Coupons, Talons and/or Receipts insert:** with attached **[interest coupons ("Coupons") [and talons ("Talons") for further Coupons] [and] [payment receipts ("Receipts") in respect of the instalments of principal payable]] [if the Notes are issued with Coupons, Talons and/or Receipts insert:** with attached **[interest coupons ("Coupons") [and talons ("Talons") for further Coupons] [and] [payment receipts ("Receipts") in respect of the instalments of principal payable] [if the Notes are issued with Coupons insert:** with attached global interest coupons ("Global Interest Coupons")]. The Temporary Global Note **[if the Notes are issued with Coupons insert:** and any Global Interest Coupon] shall be signed manually by two authorised signatories of the Issuer] and the Temporary Global Note shall be authenticated by or on behalf of the Fiscal Agent. Definitive Notes **[if the Notes are issued with Coupons, Talons and/or Receipts insert:** and **[Coupons] [and] [,] [Talons] [and] Receipts]** shall be signed in facsimile by two authorised signatories of the Issuer] and the Definitive Notes shall be authenticated by or on behalf of the Fiscal Agent.]

(i) In the case of Notes other than TEFRA D Notes, replace

**[§ 1(3)(b) (CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS – Temporary Global Note – Exchange) by:**

(b) The Temporary Global Note shall be exchanged for Notes in the form provided in Clause (a) above on a date (the "Exchange Date") not later than 180 days after the date of issue of the Temporary Global Note.]

(ii) In the case of TEFRA D Notes, replace

**[§ 1(3)(b) (CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS – Temporary Global Note – Exchange) by:**

(b) The Temporary Global Note shall be exchangeable for Notes in the form provided in Clause (a) above from the 40th day after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U. S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Such certifications will comply with applicable United States Treasury regulations. 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 Temporary Global Note will be treated as a request to exchange pursuant to subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 4(3)).]

**[§ 1(4) and (5) (CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS – Clearing System / Holder of Notes) to be replaced by:**

(4) *Clearing System*. "Clearing System" as used herein means **[if more than one Clearing System insert: each of]** the following: **[Clearstream Banking AG] [Clearstream Banking, société anonyme] [Euroclear Bank S. A./N. V. as operator of the Euroclear System ("Euroclear")][,] [and] [specify other Clearing System]**.

(5) *Holder of Notes*. "Holder" as used herein means, in respect of Notes deposited with any Clearing System or other central securities depository, any Holder of a proportionate co-ownership or other beneficial interest or right in the Notes so deposited and otherwise in the case of Definitive Notes the bearer of a Definitive Note.

(6) *References to Notes*. References herein to the "Notes" include (unless the context otherwise requires) references to any global note representing the Notes and any Definitive Notes **[if the Notes are issued with Coupons, Talons and/or Receipts insert: and the [Coupons][,] [and] [Global Interest Coupons][,] [and] [Talons] [and Receipts] appertaining thereto].**

In the case of Floating Rate Notes replace

**[§ 3(1) (INTEREST – *Interest Payment Dates*) subparagraph (d) by:**

(d) In this § 3 "Business Day" means a day which is a day (other than a Saturday or a Sunday) on which (i) commercial banks and foreign exchange markets settle payments in the relevant place of presentation, and (ii) the Clearing System and (iii) **[if the Specified Currency is not euro insert: commercial banks and foreign exchange markets in [insert all relevant financial centres]] [if the Specified Currency is euro insert: the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** settle payments.]

In the case of Fixed Rate Notes replace

**[§ 3(2) (INTEREST – *Accrual of Interest*) by:**

(2) *Accrual of Interest*. The Notes shall cease to bear interest from the due date for their redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date until the actual redemption of the Notes, but not beyond the fourteenth day after notice has been given by the Fiscal Agent in accordance with § [12] that the funds required for redemption have been provided to the Fiscal Agent. The applicable Rate of Interest will be the default rate of interest established by law unless the rate of interest of the Notes is higher than the default rate of interest established by law.]

In the case of Floating Rate Notes replace

**[§ 3[(7)] (INTEREST – *Accrual of Interest*) by:**

**[(7)] *Accrual of Interest***. The Notes shall cease to bear interest from their due date for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date until actual redemption of the Notes, but not beyond the fourteenth day after notice has been given by the Fiscal Agent in accordance with § [12] that the funds required for redemption have been provided to the Fiscal Agent. The applicable Rate of Interest will be the default rate of interest established by law unless the rate of interest of the Notes is higher than the default rate of interest established by law.]

In the case of Zero Coupon Notes replace

**[§ 3(2) (INTEREST – *Accrual of Interest*) by:**

(2) *Accrual of Interest*. If the Issuer shall fail to redeem the Notes when due, interest shall accrue on the outstanding principal amount of the Notes as from the due date to the date of actual redemption at the default rate of interest established by law unless the rate of interest of the Notes is higher than the

default rate of interest established by law, but not beyond the fourteenth day after notice has been given by the Fiscal Agent in accordance with § [12] that the funds required for redemption have been provided to the Fiscal Agent.]

**[§ 4(1)(a)] (PAYMENTS – *Payment of Principal*) to be replaced by:**

(1) [(a)] *Payment of Principal.* Payment of principal in respect of Notes shall be made, subject to subparagraph (2) below, against presentation and (except in the case of partial payment) surrender of the relevant Note at the specified office of the Fiscal Agent outside the United States or at the specified office of any other Paying Agent outside the United States.]

**[In the case of Instalment Notes insert:** Payment of Instalment Amounts in respect of an Instalment Note with Receipts will be made against presentation of the Note together with the relevant Receipt and surrender of such Receipt and, in the case of the final Instalment Amount, surrender of the Note at the specified office of any Paying Agent outside the United States. Receipts are not documents of title and, if separated from the Note to which they relate, shall not represent any obligation of the Issuer. Accordingly, the presentation of an Instalment Note without the relevant Receipt or the presentation of a Receipt without the Note to which it pertains shall not entitle the Holder to any payment in respect of the relevant Instalment Amount.]

In the case of Notes other than Zero Coupon Notes replace

**[§ 4(1)(b)] (PAYMENTS – *Payment of Interest*) by:**

(b) *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (2) below, against presentation and surrender of the relevant Coupons or, in the case of Notes in respect of which Coupons have not been issued or in the case of interest due otherwise than on a scheduled date for the payment of interest, against presentation of the relevant Notes, at the specified office of the Fiscal Agent outside the United States or at the specified office of any other Paying Agent outside the United States. Payments of interest will be made only outside the United States, except if such payments are to be made in U. S. dollars and the full amount of such payments at or through all offices of the Paying Agents located outside the United States is illegal or effectively precluded because of the imposition of exchange controls or other similar restrictions.

**[In the case of TEFRA D Notes insert:** Payment of interest on Notes represented by a Temporary Global Note shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account Holders of the Clearing System, upon due certification as provided in § 1 (3)(b).]

In the case of Notes with Coupons, Talons and/or Receipts insert

**[as § 4(1)(c)] (PAYMENTS – *Surrender of [Coupons][,] [and][Talons][and Receipts]*):**

(c) *Surrender of [Coupons][,] [and] [Talons] [and Receipts].* Each Note initially delivered with [Coupons] [or] [Talons] [or Receipts] attached thereto must be presented and, except in the case of partial payment of the redemption amount, surrendered for final redemption together with all unmatured [Coupons][,] [and] [Talons] [and Receipts] relating thereto, failing which

**[In the case of Fixed Rate Notes insert:** the amount of any missing unmatured Coupons (or, in the case of a payment not being made in full, that portion of the amount of such missing Coupon which the redemption amount paid bears to the total redemption amount due) shall be deducted from the amount otherwise payable on such final redemption[, ] [and] [.] ]

**[In the case of Floating Rate Notes insert:** all unmatured Coupons relating to such Notes (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them[, ] [and] [.] ]



**[In the case of Notes initially delivered with Talons insert:** all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them~~[.]~~ **[and] [.]**

**[In the case of Notes initially delivered with Receipts insert:** all Receipts relating to such Notes in respect of payment of an Instalment Amount which (but for such redemption) would have fallen due on a date after such due date for redemption (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect to them.]

**[In the case of Fixed Rate Notes initially delivered with Coupons insert:** If the Notes should be issued with a maturity date and an interest rate or rates such that, on the presentation for payment of any such Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required to be deducted in accordance with the foregoing would be greater than the redemption amount otherwise due for payment, then upon the due date for redemption of any such Notes, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that the amount required to be deducted in accordance with the foregoing would not be greater than the redemption amount otherwise due for payment. Where the application of the preceding sentence requires some but not all of the unmatured Coupons relating to a Note to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.]

**[In the case of Notes initially delivered with Talons insert:** On or after the Interest Payment Date on which the final Coupon in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent, in exchange for a further Coupon sheet (including any appropriate further Talon). Each Talon shall, for the purpose of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon in the relative Coupon sheet matures.]]

**[§ 4(2) (PAYMENTS – *Manner of Payment*) to be replaced by:**

(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 **[insert Specified Currency]**

In the case of payments in a currency other than euro or U. S. dollars insert:

**[by check payable in such currency drawn on a bank in the principal financial centre of the country of the Specified Currency or, at the option of the payee, by transfer to an account denominated in such currency maintained by the payee with a bank in such financial centre.]**

In the case of payments in euro insert:

**[in cash or by euro check drawn on, or, at the option of the payee, by transfer to an euro account maintained by the payee with, a bank in a principal financial centre of a country which has become a participating member state in European Economic and Monetary Union.]**

In the case of payments in U. S. dollars insert:

**[by U. S. dollar check drawn on a bank in New York City or, at the option of the payee, by transfer to a U. S. dollar account maintained by the payee at a bank outside the United States.]]**

**[§ 4(3) (PAYMENTS – *United States*) to be replaced by:**

(3) *United States.* For purposes of **[in the case of TEFRA D Notes insert: § 1 (3) and] subparagraph (1) [in the case of payments in U. S. dollars insert: and (2)]** of this § 4, "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).]

**[§ 4(4) (PAYMENTS – Discharge) to be replaced by:**

(4) *Discharge*. In the case of any Notes held through any Clearing System, the Issuer shall be discharged by payment to, or to the order of, the Clearing System.]

**[§ 4(5) (PAYMENTS – Payment Business Day) to be replaced by:**

(5) *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 a day which is a day (other than a Saturday or a Sunday) on which (i) commercial banks and foreign exchange markets settle payments in the relevant place of presentation, and (ii) the Clearing System and (iii) **[if the Specified Currency is not euro insert: commercial banks and foreign exchange markets in [insert all relevant financial centres]] [if the Specified Currency is euro and in the case of Floating Rate Notes insert: TARGET] [if the specified currency is euro and in the case of Notes other than Floating Rate Notes insert: the Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** settle payments.]

**[§ 5[(3)](b)(ii) (REDEMPTION – Early Redemption at the Option of the Issuer) to be replaced by:**

(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 and the serial numbers of the Notes which are to be redeemed.]

**[§ 5[(3)](c) (REDEMPTION – Early Redemption at the Option of the Issuer) to be replaced by:**

(c) In the case of a partial redemption of Notes, Notes to be redeemed shall be drawn by lot or identified in such other manner as the Fiscal Agent may in its sole discretion deem appropriate and fair.]

**[§ 5[(4)](b) (REDEMPTION – Early Redemption at the Option of a Holder) to be replaced by:**

(b) In order to exercise such option, the Holder must, not less than **[insert Minimum Notice to Issuer]** days and not more than **[insert Maximum Notice to Issuer]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), submit during normal business hours at the specified office of the Fiscal Agent or any other Paying Agent a duly completed early redemption notice ("Put Notice") in the form available from the specified office of the Fiscal Agent or any of the other Paying Agents and deposit the relevant Note at such office with the Put Notice. No option so exercised or Note so deposited may be revoked or withdrawn.]

Except in the case of  
Pfandbriefe insert after

**[§ 7 (TAXATION) subclause (d):**

(e) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding, or

(f) would not be payable if the Notes had been kept in safe custody with, and the payments had been collected by, a banking institution.]

**[§ 8 (PRESENTATION PERIOD) to be replaced by:**

**§ 8**

**PRESENTATION PERIOD, REPLACEMENT OF NOTES  
[IF THE NOTES ARE ISSUED WITH COUPONS INSERT: AND COUPONS]**

The presentation period provided in § 801 paragraph 1, sentence 1 BGB (*German Civil Code*) is reduced to ten years for the Notes. **[If the Notes are issued with Coupons insert:** The presentation period for the Coupons shall, in accordance with § 801 paragraph 2 BGB (*German Civil Code*), be four years, beginning with the end of the calendar year in which the relevant Coupon falls due.] Should any Note **[if the Notes are issued with Coupons insert:** or Coupon] be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent, subject to relevant stock exchange requirements and all applicable laws, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes **[if the Notes are issued with Coupons insert:** or Coupons] must be surrendered before replacements will be issued.]

If the Notes are issued with  
Coupons

**[replace § [11](3) (FURTHER ISSUES, PURCHASES AND CANCELLATION – Cancellation) by:**

(3) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith together with all unmatured Coupons surrendered therewith or attached thereto and may not be reissued or resold.]

**[§ [12] (2) (NOTICES – Notification to Clearing System) to be deleted]**

**[§ [13](4) (APPLICABLE LAW, PLACE OF PERFORMANCE, PLACE OF JURISDICTION AND ENFORCEMENT – Enforcement) to be replaced by:**

(4) *Enforcement.* The Holder of any Notes held through a Clearing System may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global or definitive form certified as being a true copy by a duly authorized officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Temporary Global Note or Definitive Note. For purposes of the foregoing, "Custodian" means any bank or other financial institution of recognized standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.]

## TERMS AND CONDITIONS OF THE NOTES

### – GERMAN LANGUAGE VERSION –

Die Emissionsbedingungen (die "Emissionsbedingungen") sind nachfolgend in zwei Teilen aufgeführt:

*TEIL I enthält die Grundbedingungen (die "Grundbedingungen"), die die Emissionsbedingungen umfassen, die Anwendung finden auf (a) Serien von Schuldverschreibungen, die durch auf den Inhaber lautende Globalurkunden verbrieft sind (ausgenommen Pfandbriefe) (TEIL I (A)), (b) Serien von Pfandbriefen, die durch auf den Inhaber lautende Globalurkunden verbrieft sind (TEIL I (B)) und (c) Genussscheine, die durch Globalurkunden verbrieft sind (TEIL I (C)).*

*TEIL II enthält einen Zusatz (der "Zusatz") zu den Grundbedingungen: diejenigen Bestimmungen, die Anwendung finden im Fall von Schuldverschreibungen, die durch auf den Inhaber lautende Einzelurkunden verbrieft sind und die die in TEIL I (A) enthaltenen Grundbedingungen ergänzen.*

*Die Grundbedingungen und die dazugehörigen Zusätze bilden zusammen die Emissionsbedingungen.*

Diese Serie von [Schuldverschreibungen] [Pfandbriefen] [Genussscheinen] wird gemäß einem Amended and Restated Fiscal Agency Agreement vom 31. Oktober 2005 (das "Agency Agreement") zwischen Hypothekenbank in Essen Aktiengesellschaft (die "Emittentin") und BNP Paribas Securities Services, Luxembourg Branch als Emissionsstelle (die "Emissionsstelle", wobei dieser Begriff jeden Nachfolger der Emissionsstelle gemäß dem Agency Agreement einschließt) und den anderen darin genannten Parteien begeben. Ablichtungen des Agency Agreement können kostenlos bei der bezeichneten Geschäftsstelle der Emissionsstelle und bei den bezeichneten Geschäftsstellen einer jeden Zahlstelle sowie bei der Hauptgeschäftsstelle der Emittentin bezogen werden.

Im Fall von nicht-konsolidierten Bedingungen, wenn die Emissionsbedingungen und die Endgültigen Bedingungen beigefügt werden sollen, einfügen:

[Die Bestimmungen dieser Emissionsbedingungen gelten für diese [Schuldverschreibungen] [Pfandbriefe] [Genussscheine] so, wie sie durch die Angaben der beigefügten endgültigen Bedingungen (die "Endgültigen Bedingungen") vervollständigt, geändert, ergänzt oder ganz oder teilweise ersetzt werden. Die Leerstellen in den auf die [Schuldverschreibungen] [Pfandbriefe] [Genussscheine] 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 wären; sofern die Endgültigen Bedingungen die Änderung, Ergänzung oder (vollständige oder teilweise) Ersetzung von Bestimmungen dieser Emissionsbedingungen vorsieht, gelten die betreffenden Bestimmungen dieser Emissionsbedingungen als entsprechend geändert, ergänzt oder ersetzt; alternative oder wählbare Bestimmungen dieser Emissionsbedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausdrücklich ausgefüllt oder die gestrichen sind, gelten als aus diesen Emissionsbedingungen gestrichen; sämtliche auf die [Schuldverschreibungen] [Pfandbriefe] [Genussscheine] 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] [Pfandbriefe] [Genussscheine] sind Kopien

der anwendbaren Endgültigen Bedingungen allerdings ausschließlich für die Gläubiger solcher Schuldverschreibungen erhältlich.]

## TEIL I – GRUNDBEDINGUNGEN

### A. EMISSIONSBEDINGUNGEN FÜR SCHULDVERSCHREIBUNGEN (AUSGENOMMEN PFANDBRIEFE UND GENUSSSCHEINE)

#### § 1

#### WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN

(1) *Währung; Stückelung.* Diese Serie [•] von Schuldverschreibungen (die "Schuldverschreibungen") der Hypothekenbank in Essen Aktiengesellschaft (die "Emittentin") wird in **[festgelegte Währung einfügen]** (die "festgelegte Währung") im Gesamtnennbetrag von **[Gesamtnennbetrag einfügen]** (in Worten: **[Gesamtnennbetrag in Worten einfügen]**) in Stückelungen von **[festgelegte Stückelungen einfügen]** (die "festgelegten Stückelungen") begeben.

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber und sind durch eine oder mehrere Globalurkunden verbrieft (jede eine "Globalurkunde").

Im Fall von Schuldverschreibungen, die ausschließlich durch eine Dauerglobalurkunde verbrieft sind, einfügen:

**[(3) *Dauerglobalurkunde.*** Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die "Dauerglobalurkunde") ohne Zinsscheine verbrieft. Die Dauerglobalurkunde trägt die eigenhändigen Unterschriften zweier 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, einfügen:

**[(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 ausgetauscht, die durch eine Dauerglobalurkunde (die "Dauerglobalurkunde") ohne Zinsscheine verbrieft sind. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die eigenhändigen Unterschriften zweier 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 Ausgabe der vorläufigen Globalurkunde liegen soll. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U. S.–Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß Absatz (b) dieses § 1 (3) auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten (wie in § 4(3) definiert) zu liefern.]

(4) *Clearing System*. Jede Schuldverschreibungen verbriefende Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt. "Clearing System" bedeutet **[bei mehr als einem Clearing System einfügen: jeweils]** folgendes: [Clearstream Banking AG ("CBF")] [Clearstream Banking, société anonyme ("CBL")] [Euroclear Bank S. A./N. V. als Betreiberin des Euroclear Systems ("Euroclear")] [CBL und Euroclear jeweils ein "ICSD" und zusammen die "ICSDs"] [,] [und] **[anderes Clearing System angeben]**.

Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, einfügen:

**[Falls die Globalurkunde eine NGN ist, einfügen:** Die Schuldverschreibungen werden in Form einer new global note ("NGN") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.]

**[Falls die Globalurkunde eine CGN ist, einfügen:** 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 Rechts an den Schuldverschreibungen.

Falls die Globalurkunde eine NGN ist, einfügen:

**[(6) Register der ICSDs.** 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 ein zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

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

**[Falls die vorläufige Globalurkunde eine NGN ist, einfügen:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbrieften Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.]

## § 2 STATUS

Im Fall von nicht nachrangigen Schuldverschreibungen einfügen:

**[Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind.]**

Im Fall von nachrangigen Schuldverschreibungen einfügen:

**[Die Schuldverschreibungen begründen nicht besicherte, nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind.]**

Im Fall der Auflösung, der Liquidation oder des Insolvenzverfahrens über das Vermögen der Emittentin, oder eines Vergleichs oder eines anderen der Abwendung des Insolvenzverfahrens über das Vermögen dienenden Verfahrens gegen die Emittentin, gehen die Verbindlichkeiten aus den Schuldverschreibungen den Ansprüchen dritter Gläubiger der Emittentin aus nicht nachrangigen Verbindlichkeiten im Range nach, so dass Zahlungen auf die Schuldverschreibungen solange nicht erfolgen, wie die Ansprüche dieser dritten Gläubiger der Emittentin aus nicht nachrangigen Verbindlichkeiten nicht vollständig befriedigt sind. Kein Gläubiger ist berechtigt, mit Ansprüchen aus den Schuldverschreibungen gegen Ansprüche der Emittentin aufzurechnen. Den Gläubigern wird für ihre Rechte aus den Schuldverschreibungen weder durch die Emittentin noch durch Dritte irgendeine Sicherheit gestellt; eine solche Sicherheit wird auch zu keinem späteren Zeitpunkt gestellt werden. Nachträglich können der Nachrang gemäß diesem § 2 nicht beschränkt sowie die Laufzeit der Schuldverschreibungen und jede anwendbare Kündigungsfrist nicht verkürzt werden. Werden die Schuldverschreibungen vor dem Fälligkeitstag unter anderen als den in diesem § 2 beschriebenen Umständen oder infolge einer vorzeitigen Kündigung nach Maßgabe von § 5(2) zurückgezahlt oder von der Emittentin (außer in den Fällen des § 10 Absatz 5a Satz 6 Kreditwesengesetz) zurückerworben, so ist der zurückgezahlte oder gezahlte Betrag der Emittentin ohne Rücksicht auf entgegenstehende Vereinbarungen zurückzugewähren, sofern nicht der gezahlte Betrag durch die Einzahlung anderen, zumindest gleichwertigen haftenden Eigenkapitals im Sinne des Kreditwesengesetzes ersetzt worden ist oder die Bundesanstalt für Finanzdienstleistungsaufsicht der vorzeitigen Rückzahlung oder dem Rückkauf zugestimmt hat.]

### § 3 ZINSEN

(A) Im Fall von  
festverzinslichen  
Schuldverschreibungen  
einfügen:

[(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden in Höhe ihres Nennbetrages verzinst, und zwar vom **[Verzinsungsbeginn einfügen]** (einschließlich) bis zum Fälligkeitstag (wie in § 5(1) definiert) (ausschließlich) mit jährlich **[Zinssatz einfügen]** %. Die Zinsen sind nachträglich am **[feste(r) Zinszahlungstag(e) einfügen]** eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am **[ersten Zinszahlungstag einfügen]** **[sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, einfügen:** und beläuft sich auf **[anfänglichen Bruchteilszinsbetrag pro erste festgelegte Stückelung einfügen]** je Schuldverschreibung im Nennbetrag von **[erste festgelegte Stückelung einfügen]** **[und [weitere anfängliche Bruchteilszinsbeträge für jede weitere festgelegte Stückelung einfügen]** je Schuldverschreibung im Nennbetrag von **[weitere festgelegte Stückelungen einfügen]].** **[Sofern der Fälligkeitstag kein Festzinstermine ist, einfügen:** Die Zinsen für den Zeitraum vom **[den letzten dem Fälligkeitstag vorausgehenden Festzinstermine einfügen]** (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf **[abschließenden Bruchteilszinsbetrag pro erste festgelegte Stückelung einfügen]** je Schuldverschreibung im Nennbetrag von **[erste festgelegte Stückelung einfügen]** **[und [weitere abschließende Bruchteilszinsbeträge für jede weitere festgelegte Stückelung einfügen]** je Schuldverschreibung im Nennbetrag von **[weitere festgelegte Stückelungen einfügen]].**]

(2) *Auflaufende Zinsen.* Der Zinslauf der Schuldverschreibungen endet an dem Tag, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung des ausstehenden Nennbetrages der Schuldverschreibungen vom Tag der Fälligkeit bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen, es sei denn, die Schuldverschreibungen werden mit einem



höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst.

(3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).]

(B) Im Fall von variabel verzinslichen Schuldverschreibungen einfügen:

[(1) *Zinszahlungstage.* (a) Die Schuldverschreibungen werden in Höhe ihres Nennbetrages ab dem **[Verzinsungsbeginn einfügen]** (der "Verzinsungsbeginn") (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) verzinst. Zinsen auf die Schuldverschreibungen sind an jedem Zinszahlungstag zahlbar.

(b) "Zinszahlungstag" bedeutet

**[(i) im Fall von festgelegten Zinszahlungstagen einfügen: jeder festgelegte Zinszahlungstage einfügen].]**

**[(ii) im Fall von festgelegten Zinsperioden einfügen:** (soweit diese Emissionsbedingungen keine abweichenden Bestimmungen vorsehen) jeweils der Tag, der **[Zahl einfügen]** **[Wochen]** **[Monate]** **[andere festgelegte Zeiträume einfügen]** nach dem vorausgehenden Zinszahlungstag, oder im Fall des ersten Zinszahlungstages, nach dem Verzinsungsbeginn liegt.]

(c) Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachstehend definiert) ist, so wird der Zinszahlungstag

**[(i) bei Anwendung der Modified Following Business Day Convention einfügen:** auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.]

**[(ii) bei Anwendung der FRN Convention einfügen:** auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der **[[Zahl einfügen]** **Monate]** **[andere festgelegte Zeiträume einfügen]** nach dem vorausgehenden anwendbaren Zinszahlungstag liegt.]

**[(iii) bei Anwendung der Following Business Day Convention einfügen:** auf den nächstfolgenden Geschäftstag verschoben.]

**[(iv) bei Anwendung der Preceding Business Day Convention einfügen:** auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.]

(d) In diesem § 3 bezeichnet "Geschäftstag" einen Tag (außer einem Samstag oder Sonntag), an dem (i) das Clearing System und (ii) **[falls die festgelegte Währung nicht Euro ist, einfügen:** Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren einfügen]** **[falls die festgelegte Währung Euro ist, einfügen:** das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)] Zahlungen abwickeln.

(2) *Zinssatz.* **[Bei Bildschirmfeststellung einfügen:** Der Zinssatz (der "Zinssatz") für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts Abweichendes bestimmt wird, der Referenzsatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) gegen 11.00 Uhr **[Brüsseler]** **[Londoner]** Ortszeit) angezeigt wird **[im Fall einer Marge einfügen:** **[zuzüglich]** **[abzüglich]** der Marge (wie nachstehend definiert)], wobei alle

Festlegungen durch die Berechnungsstelle erfolgen.

"Zinsperiode" bezeichnet jeweils den Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

"Zinsfestlegungstag" bezeichnet den **[zweiten] [zutreffende andere Zahl von Tagen einfügen] [Londoner] [TARGET] [zutreffende andere Bezugnahmen einfügen]** Geschäftstag vor Beginn der jeweiligen Zinsperiode. **[Falls der Geschäftstag kein TARGET Geschäftstag ist, einfügen: [Londoner] [zutreffenden anderen Ort einfügen]** "Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[London] [zutreffenden anderen Ort einfügen]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.] **[Im Fall eines TARGET Geschäftstages einfügen:** "TARGET-Geschäftstag" bezeichnet einen Tag, an dem TARGET betriebsbereit ist.]

**[Im Fall einer Marge einfügen:** "Die Marge" beträgt **[•]** % per annum.]

"Bildschirmseite" bedeutet **[Bildschirmseite einfügen]**.

**[Der Emittentin steht es frei, den Gebrauch einer anderen Basis zur Bestimmung eines Referenzsatzes zu vereinbaren; vollständige Einzelheiten dieser Basis werden hier und in den anwendbaren Endgültigen Bedingungen ausgeführt sein.]**

Sollte die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Referenzsatz angezeigt (jeweils zu der genannten Zeit), wird die Berechnungsstelle von jeder der Referenzbanken (wie nachstehend definiert) **[in der Euro-Zone]** deren jeweilige Angebotsätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode gegenüber führenden Banken im **[Londoner] Interbanken-Markt [in der Euro-Zone]** um ca. 11.00 Uhr (**[Brüsseler] [Londoner] Ortszeit**) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotsätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein **[falls der Referenzsatz EURIBOR ist, einfügen:** Tausendstel Prozent, wobei 0,0005] **[falls der Referenzsatz nicht EURIBOR ist, einfügen:** Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) **[andere relevante Rundungsbestimmung nach Maßgabe der Rundungsbestimmung des anwendbaren Angebotsatzes einfügen]** dieser Angebotsätze **[im Fall einer Marge einfügen:** **[zuzüglich] [abzüglich]** der Marge], wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotsätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz per annum, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein **[falls der Referenzsatz EURIBOR ist, einfügen:** Tausendstel Prozent, wobei 0,0005] **[falls der Referenzsatz nicht EURIBOR ist, einfügen:** Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) **[andere relevante Rundungsbestimmung nach Maßgabe der Rundungsbestimmung des anwendbaren Angebotsatzes einfügen]** der Angebotsätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um ca. 11.00 Uhr (**[Brüsseler] [Londoner] Ortszeit**) an dem betreffenden Zinsfestlegungstag Einlagen in der festgelegten Währung für die betreffende Zinsperiode von führenden Banken im **[Londoner] Interbanken-Markt [in der Euro-Zone]** angeboten werden **[im Fall einer Marge einfügen:** **[zuzüglich] [abzüglich]** der

Marge]; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, dann soll der Zinssatz für die betreffende Zinsperiode der Referenzsatz für Einlagen in der festgelegten Währung für die betreffende Zinsperiode oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der festgelegten Währung für die betreffende Zinsperiode sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an dem betreffenden Zinsfestlegungstag gegenüber führenden Banken am [Londoner] Interbanken-Markt [in der Euro-Zone] nennen (bzw. den diese Banken gegenüber der Berechnungsstelle nennen) **[im Fall einer Marge einfügen: [zuzüglich] [abzüglich] der Marge]**. Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Zinssatz der Referenzsatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem diese Angebotssätze angezeigt wurden **[im Fall einer Marge einfügen: [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 vorhergehende Zinsperiode tritt)].

"Referenzbanken" bezeichnen **[falls in den Endgültigen Bedingungen keine anderen Referenzbanken bestimmt werden, einfügen:** diejenigen Niederlassungen von vier derjenigen Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der maßgeblichen Bildschirmseite angezeigt wurde] **[falls in den Endgültigen Bedingungen andere Referenzbanken bestimmt werden, sind sie hier einzufügen].]**

**[Im Fall des Interbanken-Marktes in der Euro-Zone einfügen:** "Euro-Zone" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992) und den Amsterdamer Vertrag vom 2. Oktober 1997, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.]

**[Wenn der Referenzsatz ein anderer als EURIBOR oder LIBOR ist, sind die entsprechenden Einzelheiten anstelle der Bestimmungen dieses Absatzes 2 einzufügen]**

**[Sofern ISDA-Feststellung gelten soll, sind die entsprechenden Bestimmungen einzufügen und die von der International Swap and Derivatives Association veröffentlichten 2000 ISDA-Definitionen beizufügen]**

**[Sofern eine andere Methode der Feststellung anwendbar ist, sind die entsprechenden Einzelheiten anstelle der Bestimmungen dieses Absatzes 2 einzufügen]**

**[Falls ein Mindest- und/oder Höchstzinssatz gilt, einfügen:**

(3) *[Mindest-] [und] [Höchst-] Zinssatz.*

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

**[Falls ein Höchstzinssatz gilt, einfügen:** Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als

**[Höchstzinssatz einfügen],** so ist der Zinssatz für diese Zinsperiode **[Höchstzinssatz einfügen].]**

**[(4)] Zinsbetrag.** Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den auf die Schuldverschreibungen zahlbaren Zinsbetrag (der "Zinsbetrag") für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachstehend definiert) auf den Gesamtnennbetrag der Schuldverschreibungen 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 und den Gläubigern gemäß § [12] baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden [TARGET] [Londoner] Geschäftstag (wie in § 3(1) definiert) sowie jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen umgehend, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind, sowie den Gläubigern gemäß § [12] mitgeteilt.

**[(6)] Verbindlichkeit der Festsetzungen.** Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Emissionsstelle[, die Zahlstellen] und die Gläubiger bindend.

**[(7)] Auflaufende Zinsen.** Der Zinslauf der Schuldverschreibungen endet an dem Tag, an dem sie zur Rückzahlung fällig werden. Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, endet die Verzinsung des ausstehenden Nennbetrags der Schuldverschreibungen nicht am Fälligkeitstag, sondern erst mit der tatsächlichen Rückzahlung der Schuldverschreibungen. Der jeweils geltende Zinssatz ist der gesetzlich festgelegte Satz für Verzugszinsen, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst.]

(C) Im Fall von Nullkupon-Schuldverschreibungen einfügen:

**[(1)] Keine periodischen Zinszahlungen.** Es erfolgen keine periodischen Zinszahlungen auf die Schuldverschreibungen.

**(2) Auflaufende Zinsen.** Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, fallen auf den ausstehenden Nennbetrag der Schuldverschreibungen ab dem Fälligkeitstag zum Tag der tatsächlichen Rückzahlung Zinsen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen an, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst.]

**[(D) [Im Fall von Doppelwährungs-Schuldverschreibungen, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von Raten-Schuldverschreibungen, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von indexierten Schuldverschreibungen, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von Credit Linked Notes, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von anderen strukturierten Schuldverschreibungen, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]]**

**[(\*)] Zinstagequotient.** "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "Zinsberechnungszeitraum"):

**[Im Fall von Actual/Actual (ICMA) einfügen:** die Anzahl von Tagen im jeweiligen Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls ein solcher nicht vorgesehen ist, vom Verzinsungsbeginn) bis zum jeweiligen Zinszahlungstag (ausschließlich) dividiert durch (x) bei Schuldverschreibungen deren Zinsen nur durch regelmäßige jährliche Zinszahlungen ausgezahlt werden sollen, die Anzahl der Tage im jeweiligen Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls keiner, von dem Verzinsungsbeginn) bis zum nächsten vorgesehenen Zinszahlungstag (ausschließlich) oder (y) bei Schuldverschreibungen deren Zinsen anders als nur durch regelmäßige jährliche Zinszahlungen ausgezahlt werden sollen, das Produkt aus der Anzahl der Tage im Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls ein solcher nicht vorgesehen ist, vom Verzinsungsbeginn) bis zum nächsten vorgesehenen Zinszahlungstag (ausschließlich) und der Anzahl von Zinszahlungstagen, die in einem Kalenderjahr vorkommen würden falls Zinsen für das gesamte betreffende Jahr zu zahlen wären.]

**[Im Fall von Actual/Actual (ISDA) (Actual/365) einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 (oder falls ein Teil des Zinsberechnungszeitraums in ein Schaltjahr fällt, die Summe von (A) der tatsächlichen Anzahl von Tagen in dem Teil des Zinsberechnungszeitraums, die in das Schaltjahr fallen, dividiert durch 366 und (B) die tatsächliche Anzahl von Tagen in dem Teil des Zinsberechnungszeitraums, die nicht in ein Schaltjahr fallen, dividiert durch 365).]

**[Im Fall von Actual/365 (Fixed) einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.]

**[Im Fall von Actual/360 einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.]

**[Im Fall von 30/360, 360/360 oder Bond Basis einfügen:** 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 Monats, während der erste Tag des Zinsberechnungszeitraums weder auf den 30. noch auf den 31. Tag eines Monats fällt, in welchem Fall der den letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraums 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 einfügen:** die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des Datums des ersten oder

letzten Tages des Zinsberechnungszeitraums).]

#### § 4 ZÄHLUNGEN

(1) [(a)] *Zahlungen auf Kapital.* Zahlungen auf Kapital in bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems gegen Vorlage und (außer im Fall von Teilzahlungen) Einreichung der die Schuldverschreibungen zum Zeitpunkt der Zahlung verbriefenden Globalurkunde bei der bezeichneten Geschäftsstelle der Emissionsstelle außerhalb der Vereinigten Staaten.

Im Fall von Schuldverschreibungen, die keine Nullkupon-Schuldverschreibungen sind, einfügen:

[(b)] *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

**[Im Fall von Zinszahlungen auf eine vorläufige Globalurkunde einfügen:** Die Zahlung von Zinsen auf Schuldverschreibungen, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems, 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 **[festgelegte Wahrung einfügen]**.

(3) *Vereinigte Staaten.* Fur die Zwecke des **[im Fall von TEFRA D Schuldverschreibungen einfügen: § 1(3) und des]** Absatzes 1 dieses § 4 bezeichnet "Vereinigte Staaten" die Vereinigten Staaten von Amerika (einschlielich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschlielich Puerto Ricos, der U. S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(4) *Erfullung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *Zahltag.* Fallt der Falligkeitstag einer Zahlung in bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Glaubiger keinen Anspruch auf Zahlung vor dem nachsten Zahltag am jeweiligen Geschaftsort. Der Glaubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspatung zu verlangen. Fur diese Zwecke bezeichnet "Zahltag" einen Tag (auer einem Samstag oder Sonntag), an dem (i) das Clearing System und (ii) **[falls die festgelegte Wahrung nicht Euro ist, einfügen: Geschaftsbanken und Devisenmarkte in [samtliche relevanten Finanzzentren einfügen]] [falls die festgelegte Wahrung Euro ist und im Falle von variabel verzinslichen Schuldverschreibungen, einfügen: TARGET] [falls die festgelegte Wahrung Euro ist und im Falle von Schuldverschreibungen, die keine variabel verzinslichen Schuldverschreibungen sind, einfügen: das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** Zahlungen abwickeln.

(6) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schlieen, soweit anwendbar, die folgenden Betrage ein: den Ruckzahlungsbetrag der Schuldverschreibungen; den vorzeitigen Ruckzahlungsbetrag der Schuldverschreibungen; **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen aus anderen als steuerlichen Grunden vorzeitig zuruckzahlen, einfügen: den Wahl-Ruckzahlungsbetrag (Call) der Schuldverschreibungen.] [falls der Glaubiger ein Wahlrecht hat, die**



**[im Fall von Nullkupon-Schuldverschreibungen einfügen:** bei Fälligkeit oder im Fall des Kauf oder Tauschs einer Schuldverschreibung] zur Zahlung von zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen vernünftiger der Emittentin 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 verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von zusätzlichen Beträgen nicht mehr wirksam ist. **[Im Fall von variabel verzinslichen Schuldverschreibungen einfügen:** Der für die Rückzahlung festgelegte Termin muss ein Zinszahlungstag sein.]

Eine solche Kündigung hat gemäß § [12] zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, einfügen:

**[[3)] Vorzeitige Rückzahlung nach Wahl der Emittentin.**

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen **[insgesamt] [teilweise]** am/an den Wahl-Rückzahlungstag[en] (Call) zum/zu den Wahl-Rückzahlungsbetrag/beträgen (Call), wie nachstehend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen. **[Bei Geltung eines Mindestrückzahlungsbetrages oder eines erhöhten Rückzahlungsbetrages einfügen:** Eine solche Rückzahlung muss in Höhe eines Nennbetrages von **[mindestens [Mindestrückzahlungsbetrag einfügen]] [erhöhter Rückzahlungsbetrag]** erfolgen.]

Wahl-Rückzahlungstag(e) (Call)	Wahl-Rückzahlungsbetrag/beträge (Call)
<b>[Wahl-Rückzahlungstag(e) einfügen]</b>	<b>[Wahl-Rückzahlungsbetrag/beträge einfügen]</b>
[ ]	[ ]
[ ]	[ ]

**[Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:** Der Emittentin steht dieses Wahlrecht nicht in bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach Absatz [(4)] dieses § 5 verlangt hat.]

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § [12] bekanntzugeben. Sie beinhaltet die folgenden Angaben:

- (i) die zurückzuzahlende Serie von Schuldverschreibungen;
- (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen;
- (iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als **[Mindestkündigungsfrist einfügen]** und nicht mehr als **[Höchstkündigungsfrist einfügen]** 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 Clearing Systems ausgewählt.]

Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:

[[4]] 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 den Wahl-Rückzahlungsbetrag/beträgen (Put), wie nachstehend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

Wahl-Rückzahlungstag(e) (Call)	Wahl-Rückzahlungsbetrag/beträge (Call)
<b>[Wahl-Rückzahlungstag(e) einfügen]</b>	<b>[Wahl-Rückzahlungsbetrag/beträge einfügen]</b>
[ ]	[ ]
[ ]	[ ]

Dem Gläubiger steht dieses Wahlrecht nicht in bezug auf eine Schuldverschreibung zu, deren Rückzahlung die Emittentin zuvor in Ausübung ihres Wahlrechts nach diesem § 5 verlangt hat.

(b) Um dieses Wahlrecht auszuüben, hat der Gläubiger nicht weniger als **[Mindestkündigungsfrist einfügen]** Tage und nicht mehr als **[Höchstkündigungsfrist einfügen]** Tage vor dem Wahl-Rückzahlungstag (Put), an dem die Rückzahlung gemäß der Ausübungserklärung (wie nachstehend definiert) erfolgen soll, bei der bezeichneten Geschäftsstelle der Emissionsstelle während der normalen Geschäftszeiten eine ordnungsgemäß ausgefüllte Mitteilung zur vorzeitigen Rückzahlung ("Ausübungserklärung"), wie sie von der bezeichneten Geschäftsstelle der Emissionsstelle erhältlich ist, zu hinterlegen. Die Ausübungserklärung hat anzugeben: (i) den Nennbetrag der Schuldverschreibungen, für die das Wahlrecht ausgeübt wird und (ii) die Wertpapier-Kenn-Nummer dieser Schuldverschreibungen (soweit angegeben). 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.]

Im Fall von nicht nachrangigen Schuldverschreibungen (außer Nullkupon-Schuldverschreibungen) einfügen:

[[5]] Vorzeitiger Rückzahlungsbetrag.

Für die Zwecke von Absatz 2 dieses § 5 und § 9, entspricht der vorzeitige Rückzahlungsbetrag einer Schuldverschreibung dem Rückzahlungsbetrag]

Im Fall von nachrangigen Schuldverschreibungen (außer Nullkupon-Schuldverschreibungen) einfügen:

[[5]] Vorzeitiger Rückzahlungsbetrag.

Für die Zwecke des Absatzes 2 dieses § 5 entspricht der vorzeitige Rückzahlungsbetrag einer Schuldverschreibung dem Rückzahlungsbetrag]

Im Fall von Nullkupon-Schuldverschreibungen einfügen:

[[5]] Vorzeitiger Rückzahlungsbetrag.

(a) Für die Zwecke des Absatzes 2 dieses § 5 **[im Fall von nicht nachrangigen Schuldverschreibungen einfügen]**: und des § 9], entspricht der vorzeitige Rückzahlungsbetrag einer Schuldverschreibung dem Amortisationsbetrag der Schuldverschreibung.

(b) Der Amortisationsbetrag einer Schuldverschreibung entspricht der Summe aus:

(i) **[Referenzpreis einfügen]** (der "Referenzpreis"), und

(ii) dem Produkt aus **[Emissionsrendite einfügen]** (jährlich kapitalisiert) und dem Referenzpreis ab dem **[Tag der Begebung einfügen]** (einschließlich) bis zu dem vorgesehenen Rückzahlungstag (ausschließlich) oder (je nachdem) dem Tag, an dem die Schuldverschreibungen fällig und rückzahlbar werden.

Wenn diese Berechnung für einen Zeitraum, der nicht vollen Kalenderjahren entspricht, durchzuführen ist, hat sie im Fall des nicht vollständigen Jahres (der "Zinsberechnungszeitraum") auf der Grundlage des Zinstagequotienten (wie vorstehend in § 3 definiert) zu erfolgen.

(c) Falls die Emittentin den vorzeitigen Rückzahlungsbetrag bei Fälligkeit nicht zahlt, wird der Amortisationsbetrag einer Schuldverschreibung wie vorstehend beschrieben berechnet, jedoch mit der Maßgabe, dass die Bezugnahmen in Unterabsatz (b)(ii) auf den für die Rückzahlung vorgesehenen Rückzahlungstag oder den Tag, an dem diese Schuldverschreibungen fällig und rückzahlbar werden, durch den früheren der nachstehenden Zeitpunkte ersetzt werden: (i) der Tag, an dem die Zahlung gegen ordnungsgemäße Vorlage und Einreichung der betreffenden Schuldverschreibungen (sofern erforderlich) erfolgt, und (ii) der vierzehnte Tag, nachdem die Emissionsstelle gemäß § [12] mitgeteilt hat, dass ihr die für die Rückzahlung erforderlichen Mittel zur Verfügung gestellt wurden.]

**[Im Fall von Doppelwährungs-Schuldverschreibungen, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von indexierten Schuldverschreibungen, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von Credit Linked Notes, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von anderen strukturierten Schuldverschreibungen, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]]**

## § 6

### **DIE EMISSIONSSTELLE[.,] [UND] DIE ZAHLSTELLE[N] [UND DIE BERECHNUNGSSTELLE]**

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Emissionsstelle[.,] [und] die anfänglich bestellte[n] Zahlstelle[n]] [und die anfänglich bestellte Berechnungsstelle] und deren [jeweilige] bezeichnete Geschäftsstelle [lautet] [lauten] wie folgt:

Emissionsstelle: BNP Paribas Securities Services,  
Luxembourg Branch  
33, Rue de Gasperich  
Howald-Hesperange  
L-2085 Luxembourg  
Luxembourg

[Zahlstelle[n]: **[andere Zahlstellen und bezeichnete Geschäftsstellen einfügen]]**

[Berechnungsstelle:] **[BNP Paribas Securities Services,  
Luxembourg Branch  
33, Rue de Gasperich  
Howald-Hesperange  
L-2085 Luxembourg  
Luxembourg]**

Die Emissionsstelle[.,] [und] die Zahlstelle[n]] [und die Berechnungsstelle] [behält] [behalten] sich das Recht vor, jederzeit ihre [jeweilige] bezeichnete Geschäftsstelle durch eine andere bezeichnete Geschäftsstelle in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle [oder einer Zahlstelle] [oder der Berechnungsstelle] 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[.,] [und] (ii) zusätzlich zu der Emissionsstelle eine Zahlstelle mit bezeichneter Geschäftsstelle in einer kontinentaleuropäischen Stadt unterhalten] [im Fall von **Schuldverschreibungen, die an einer Börse notiert sind, einfügen:.,] [und] [(iii)] 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] [im Fall von **Zahlungen in US-Dollar einfügen: .,] [und] [(iv)] falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 4 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] [falls eine **Berechnungsstelle bestellt werden soll, einfügen: und [(v)] eine Berechnungsstelle [falls die Berechnungsstelle eine bezeichnete Geschäftsstelle an einem vorgeschriebenen Ort zu unterhalten hat, einfügen: mit bezeichneter Geschäftsstelle in [vorgeschriebenen Ort einfügen]] 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) *Beauftragte der Emittentin.* Die Emissionsstelle[.,] [und] die Zahlstelle[n]] [und die Berechnungsstelle] [handelt] [handeln] ausschließlich als Beauftragte der Emittentin und [übernimmt] [übernehmen] keinerlei Verpflichtungen gegenüber den Gläubigern; es wird kein Auftrags- oder Treuhandverhältnis zwischen [ihr] [ihnen] und den Gläubigern begründet.

## § 7 STEUERN

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge sind an der Quelle ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "zusätzlichen Beträge") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach einem solchen Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht für solche Steuern und Abgaben, die:

(a) von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als

dadurch, dass der Emittent aus den von ihm zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder

(c) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß §[12] wirksam wird; oder

(d) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind.

## **§ 8 VORLEGUNGSFRIST**

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

## **§ 9 KÜNDIGUNG**

Im Fall von nicht nachrangigen Schuldverschreibungen einfügen:

[(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrem vorzeitigen Rückzahlungsbetrag (wie in § 5 beschrieben), zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls:

- (a) die Emittentin Kapital oder Zinsen nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitstag zahlt; oder
- (b) die Emittentin die ordnungsgemäße Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen unterlässt und diese Unterlassung nicht geheilt werden kann oder, falls sie geheilt werden kann, länger als 30 Tage fort dauert, nachdem die Emissionsstelle hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder
- (c) die Emittentin ihre Zahlungsunfähigkeit bekanntgibt oder ihre Zahlungen einstellt; oder
- (d) ein Gericht ein Insolvenzverfahren gegen die Emittentin eröffnet, oder die Emittentin ein solches Verfahren einleitet oder beantragt oder eine allgemeine Schuldenregelung zugunsten ihrer Gläubiger anbietet oder trifft; oder
- (e) die Emittentin in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit diesen Schuldverschreibungen eingegangen ist; oder
- (f) in der Bundesrepublik Deutschland irgendein Gesetz, eine Verordnung oder behördliche Anordnung erlassen wird oder ergeht, aufgrund derer die Emittentin daran gehindert wird, die von ihr gemäß diesen Emissionsbedingungen übernommenen Verpflichtungen in vollem Umfang zu beachten und zu erfüllen und diese Lage nicht binnen 90 Tagen behoben ist.

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

(2) *Bekanntmachung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich in deutscher oder englischer Sprache gegenüber der Emissionsstelle zu erklären und persönlich oder per Einschreiben an deren bezeichnete Geschäftsstelle zu übermitteln. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Gläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Schuldverschreibung ist. Der Nachweis kann durch eine Bescheinigung der Depotbank (wie in § [13](4) definiert) oder auf andere geeignete Weise erbracht werden.]

## § [10] ERSETZUNG

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger ein mit ihr verbundenes Unternehmen (wie unten definiert) an ihrer Stelle 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 Emittentin und die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erlangt haben und berechtigt sind, an die Emissionsstelle die zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der hierin 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) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger bezüglich der Ersetzung auferlegt werden;

Im Fall von nicht nachrangigen Schuldverschreibungen einfügen:

[(d) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die sicherstellen, dass jeder Gläubiger wirtschaftlich mindestens so gestellt wird, wie er ohne eine Ersetzung stehen würde; und]

Im Fall von nachrangigen Schuldverschreibungen einfügen:

[(d) hinsichtlich der von der Nachfolgeschuldnerin bezüglich der Schuldverschreibungen übernommenen Verpflichtungen der Nachrang zu mit den Bedingungen der Schuldverschreibungen übereinstimmenden Bedingungen begründet wird und (i) die Nachfolgeschuldnerin ein Tochterunternehmen der Emittentin im Sinne der §§ 1 Absatz 7 und 10 Absatz 5a Satz 11 des Kreditwesengesetzes ist, (ii) die Nachfolgeschuldnerin eine Einlage in Höhe eines Betrages, der dem Gesamtnennbetrag der Schuldverschreibungen entspricht, bei der Emittentin vornimmt und zwar zu Bedingungen, die den Emissionsbedingungen (einschließlich hinsichtlich der Nachrangigkeit) entsprechen, und (iii) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die sicherstellen, dass jeder Gläubiger wirtschaftlich mindestens so gestellt wird, wie er ohne eine Ersetzung stehen würde; und]

(e) der Emissionsstelle ein oder mehrere Rechtsgutachten von anerkannten Rechtsanwälten vorgelegt werden, die bestätigen, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c) und (d) erfüllt wurden.

Für die Zwecke dieses § [10] bedeutet "verbundenes Unternehmen" ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz.

(2) *Bekanntmachung.* Jede Ersetzung ist gemäß § [12] bekannt zu machen.

(3) *Änderung von Bezugnahmen.* Im Fall einer Ersetzung gilt jede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, gilt ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat. Des weiteren gilt im Fall einer Ersetzung folgendes:

[(a) in § 7 und § 5(2) gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat);

(b) in § 9(1)(c) bis (f) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin);

(c) in § 9(1) gilt ein weiterer Kündigungsgrund als aufgenommen, der dann besteht, wenn die Garantie gemäß Absatz 1 (d) aus irgendeinem Grund nicht mehr gilt.]

Im Fall von nicht  
nachrangigen  
Schuldverschreibungen  
einfügen:

[In § 7 und § 5(2) gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat).]

Im Fall von nachrangigen  
Schuldverschreibungen  
einfügen:

**§ [11]**  
**BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN,  
ANKAUF UND ENTWERTUNG**

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Emissionsstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

**§ [12]**  
**MITTEILUNGEN**

Im Fall von Schuldverschreibungen, die an einer Börse notiert sind und bei denen Mitteilungen über Zeitungen erfolgen sollen, einfügen:

[(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen sind in einer führenden Tageszeitung mit allgemeiner Verbreitung in [Deutschland] [Luxemburg] [London] [anderen Ort einfügen], voraussichtlich [Börsen-Zeitung] [d'Wort] [Financial Times] [andere Zeitung mit allgemeiner Verbreitung einfügen] zu veröffentlichen. Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.]

Sofern eine Mitteilung durch elektronische Publikation auf der Website der betreffenden Börse möglich ist, einfügen:

[(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Website der [betreffende Börse einfügen] (www. [internetadresse einfügen]). Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.]

[(2)] *Mitteilungen an das Clearing-System*

Im Fall von Schuldverschreibungen, die nicht notiert sind, einfügen:

[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 an einer Börse notiert sind, einfügen:

[Solange Schuldverschreibungen an einer Börse notiert sind, findet Absatz 1 Anwendung. Soweit dies die Regeln der [maßgebliche Börse einfügen] zulassen, kann die Emittentin eine Veröffentlichung in einer Tageszeitung 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.]

**§ [13]**  
**ANWENDBARES RECHT, ERFÜLLUNGORT, GERICHTSSTAND  
UND GERICHTLICHE GELTENDMACHUNG**

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) *Erfüllungsort.* Erfüllungsort ist Essen.

(3) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("Rechtsstreitigkeiten") ist das Landgericht Essen. Die deutschen Gerichte sind ausschließlich zuständig für die Kraftloserklärung abhanden gekommener oder vernichteter Schuldverschreibungen.

(4) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "Depotbank" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

**§ [14]**  
**SPRACHE**

Falls die Emissionsbedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen:

[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, einfügen:

[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, einfügen:

[Diese Emissionsbedingungen sind ausschließlich in deutscher Sprache abgefasst.]

## B. EMISSIONSBEDINGUNGEN FÜR PFANDBRIEFE

### § 1

#### WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN

(1) *Währung; Stückelung.* Diese Serie [•] der **[im Fall von Hypothekendarfandbriefen einfügen: Hypothekendarfandbriefe] [im Fall von Öffentlichen Darfandbriefen einfügen: Öffentlichen Darfandbriefe]** (die "Schuldverschreibungen") der Hypothekendarfbank in Essen Aktiengesellschaft (die "Emittentin") wird in **[festgelegte Währung einfügen]** (die "festgelegte Währung") im Gesamtnennbetrag von **[Gesamtnennbetrag einfügen]** (in Worten: **[Gesamtnennbetrag in Worten einfügen]**) in Stückelungen von **[festgelegte Stückelungen einfügen]** (die "festgelegten Stückelungen") begeben.

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber und sind durch eine oder mehrere Globalurkunden verbrieft.

(3) *Dauerglobalurkunde.* Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die "Dauerglobalurkunde") ohne Zinsscheine verbrieft. Die Dauerglobalurkunde trägt die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(4) *Clearing System.* Jede Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt. "Clearing System" bedeutet **[bei mehr als einem Clearing System einfügen: jeweils]** folgendes: **[Clearstream Banking AG ("CBF")] [Clearstream Banking, société anonyme ("CBL")] [Euroclear Bank, S. A./N. V. als Betreiberin des Euroclear Systems ("Euroclear")] [CBL and Euroclear jeweils ein "ICSD" und zusammen die "ICSDs"] [.] [und] [anderes Clearing System angeben].**

Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, einfügen:

**[Falls die Globalurkunde eine NGN ist, einfügen:** Die Schuldverschreibungen werden in Form einer new global note ("NGN") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.]

**[Falls die Globalurkunde eine CGN ist, einfügen:** 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 Rechts an den Schuldverschreibungen.

Falls die Globalurkunde eine NGN ist, einfügen:

**[(6) Register der ICSDs.** 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 ein zu diesen Zwecken von einem ICSD jeweils ausgestellte Bestätigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder Zahlung einer Rate oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Nennbetrag der in die Register der ICSDs aufgenommenen und durch die

Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen bzw. der Gesamtbetrag der so gezahlten Raten abgezogen wird]

**[Falls die vorläufige Globalurkunde eine NGN ist, einfügen:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbriefter Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.]

## § 2 STATUS

Die Schuldverschreibungen begründen nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Die Schuldverschreibungen sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen im gleichen Rang mit allen anderen Verpflichtungen der Emittentin aus **[im Fall von Hypothekendarlehen einfügen: Hypothekendarlehen]** **[im Fall von Öffentlichen Pfandbriefen einfügen: Öffentlichen Pfandbriefen]**.

## § 3 ZINSEN

(A) Im Fall von festverzinslichen Schuldverschreibungen einfügen:

**[(1) *Zinssatz und Zinszahlungstage.*** Die Schuldverschreibungen werden in Höhe ihres Nennbetrages verzinst, und zwar vom **[Verzinsungsbeginn einfügen]** (einschließlich) bis zum Fälligkeitstag (wie in § 5(1) definiert) (ausschließlich) mit jährlich **[Zinssatz einfügen]** %. Die Zinsen sind nachträglich am **[feste(r) Zinszahlungstag(e) einfügen]** eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am **[ersten Zinszahlungstag einfügen]** **[sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, einfügen:** und beläuft sich auf **[anfänglichen Bruchteilszinsbetrag pro erste festgelegte Stückelung einfügen]** je Schuldverschreibung im Nennbetrag von **[erste festgelegte Stückelung einfügen]** und **[weitere anfängliche Bruchteilszinsbeträge für jede weitere festgelegte Stückelung einfügen]** je Schuldverschreibung im Nennbetrag von **[weitere festgelegte Stückelungen einfügen].]** **[Sofern der Fälligkeitstag kein Festzinstermine ist, einfügen:** Die Zinsen für den Zeitraum vom **[den letzten dem Fälligkeitstag vorausgehenden Festzinstermine einfügen]** (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf **[abschließenden Bruchteilszinsbetrag pro erste festgelegte Stückelung einfügen]** je Schuldverschreibung im Nennbetrag von **[erste festgelegte Stückelung einfügen]** und **[weitere abschließende Bruchteilszinsbeträge für jede weitere festgelegte Stückelung einfügen]** je Schuldverschreibung im Nennbetrag von **[weitere festgelegte Stückelungen einfügen].]**

**(2) *Auflaufende Zinsen.*** Der Zinslauf der Schuldverschreibungen endet an dem Tag, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung des ausstehenden Nennbetrages der Schuldverschreibungen vom Tag der Fälligkeit bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst.

**(3) *Berechnung der Zinsen für Teile von Zeiträumen.*** Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert)]

(B) Im Fall von variabel verzinslichen Schuldverschreibungen einfügen:

**[(1) *Zinszahlungstage.*** (a) Die Schuldverschreibungen werden in Höhe ihres Nennbetrages ab dem **[Verzinsungsbeginn einfügen]** (der

"Verzinsungsbeginn") (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) verzinst. Zinsen auf die Schuldverschreibungen sind an jedem Zinszahlungstag zahlbar.

(b) "Zinszahlungstag" bedeutet

**[(i) im Fall von festgelegten Zinszahlungstagen einfügen: jeder [festgelegte Zinszahlungstage einfügen].]**

**[(ii) im Fall von festgelegten Zinsperioden einfügen:** (soweit diese Emissionsbedingungen keine abweichenden Bestimmungen vorsehen) jeweils der Tag, der **[Zahl einfügen]** [Wochen] [Monate] **[andere festgelegte Zeiträume einfügen]** nach dem vorausgehenden Zinszahlungstag oder im Fall des ersten Zinszahlungstages, nach dem Verzinsungsbeginn liegt.]

(c) Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachstehend definiert) ist, so wird der Zinszahlungstag

**[(i) bei Anwendung der Modified Following Business Day Convention einfügen:** auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.]

**[(ii) bei Anwendung der FRN Convention einfügen:** auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der **[[Zahl einfügen] Monate] [andere festgelegte Zeiträume einfügen]** nach dem vorausgehenden anwendbaren Zinszahlungstag liegt.]

**[(iii) bei Anwendung der Following Business Day Convention einfügen:** auf den nächstfolgenden Geschäftstag verschoben.]

**[(iv) bei Anwendung der Preceding Business Day Convention einfügen:** auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.]

(d) In diesem § 3 bezeichnet "Geschäftstag" einen Tag (außer einem Samstag oder Sonntag), an dem (i) das Clearing System und (ii) **[falls die festgelegte Währung nicht Euro ist, einfügen:** Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren einfügen]]** **[falls die festgelegte Währung Euro ist, einfügen:** das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)] Zahlungen abwickeln.

(2) *Zinssatz.* **[Bei Bildschirmfeststellung einfügen:** Der Zinssatz (der "Zinssatz") für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts Abweichendes bestimmt wird, der Referenzsatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) gegen 11.00 Uhr **[Brüsseler] [Londoner] Ortszeit** angezeigt wird **[im Fall einer Marge, einfügen: [zuzüglich] [abzüglich]** der Marge (wie nachstehend definiert)], wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

"Zinsperiode" bezeichnet jeweils den Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

"Zinsfestlegungstag" bezeichnet den **[zweiten] [zutreffende andere Zahl von Tagen einfügen]** **[Londoner] [TARGET] [zutreffende andere Bezugnahmen einfügen]** Geschäftstag vor Beginn der jeweiligen Zinsperiode. **[Falls der Geschäftstag kein TARGET Geschäftstag ist, einfügen: [Londoner]**

**[zutreffenden anderen Ort einfügen]** "Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[London]** **[zutreffenden anderen Ort einfügen]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.] **[Im Falle eines TARGET Geschäftstages einfügen:** "TARGET-Geschäftstag" bezeichnet einen Tag, an dem TARGET betriebsbereit ist.]

**[Im Fall einer Marge einfügen:** Die "Marge" beträgt **[•]** % per annum.]

"Bildschirmseite" bedeutet **[Bildschirmseite einfügen]**.

**[Der Emittentin steht es frei, den Gebrauch einer anderen Basis zur Bestimmung eines Referenzsatzes zu vereinbaren; vollständige Einzelheiten dieser Basis werden in den anwendbaren Endgültigen Bedingungen ausgeführt sein.]**

Sollte die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Referenzsatz angezeigt (jeweils zu der genannten Zeit), wird die Berechnungsstelle von jeder der Referenzbanken (wie nachstehend definiert) **[in der Euro-Zone]** deren jeweilige Angebotssätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode gegenüber führenden Banken im **[Londoner]** Interbanken-Markt **[in der Euro-Zone]** um ca. 11.00 Uhr (**[Brüsseler]** **[Londoner]** Ortszeit) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein **[falls der Referenzsatz EURIBOR ist, einfügen:** Tausendstel Prozent, wobei 0,0005] **[falls der Referenzsatz nicht EURIBOR ist, einfügen:** Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) **[andere relevante Rundungsbestimmung nach Maßgabe der Rundungsbestimmung des anwendbaren Angebotssatzes einfügen]** dieser Angebotssätze **[im Fall einer Marge einfügen:** **[zuzüglich]** **[abzüglich]** der Marge], wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz per annum, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein **[falls der Referenzsatz EURIBOR ist, einfügen:** Tausendstel Prozent, wobei 0,0005] **[falls der Referenzsatz nicht EURIBOR ist, einfügen:** Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) **[andere relevante Rundungsbestimmung nach Maßgabe der Rundungsbestimmung des anwendbaren Angebotssatzes einfügen]** der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um ca. 11.00 Uhr (**[Brüsseler]** **[Londoner]** Ortszeit) an dem betreffenden Zinsfestlegungstag Einlagen in der festgelegten Währung für die betreffende Zinsperiode von führenden Banken im **[Londoner]** Interbanken-Markt **[in der Euro-Zone]** angeboten werden **[im Fall einer Marge einfügen:**

**[zuzüglich]** **[abzüglich]** der Marge]; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, dann soll der Zinssatz für die betreffende Zinsperiode der Referenzsatz für Einlagen in der festgelegten Währung für die betreffende Zinsperiode oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der festgelegten Währung für die betreffende Zinsperiode sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an

dem betreffenden Zinsfestlegungstag gegenüber führenden Banken am [Londoner] Interbanken-Markt [in der Euro-Zone] nennen (bzw. den diese Banken gegenüber der Berechnungsstelle nennen) **[im Fall einer Marge einfügen: [zuzüglich] [abzüglich] der Marge]**. Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Zinssatz der Referenzsatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem diese Angebotssätze angezeigt wurden **[im Fall einer Marge einfügen: [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 vorhergehende Zinsperiode tritt).

"Referenzbanken" bezeichnen **[falls in den Endgültigen Bedingungen keine anderen Referenzbanken bestimmt werden, einfügen: diejenigen** Niederlassungen von vier derjenigen Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der maßgeblichen Bildschirmseite angezeigt wurde] **[falls in den Endgültigen Bedingungen andere Referenzbanken bestimmt werden, sind sie hier einzufügen].**

**[Im Fall des Interbanken-Marktes in der Euro-Zone einfügen: "Euro-Zone"** bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7 Februar 1992) und den Amsterdamer Vertrag vom 2. Oktober 1997, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden]

**[Wenn der Referenzsatz ein anderer als EURIBOR oder LIBOR ist, sind die entsprechenden Einzelheiten anstelle der Bestimmungen dieses Absatzes 2 einzufügen]**

**[Sofern ISDA-Feststellung gelten soll, sind die entsprechenden Bestimmungen einzufügen und die von der International Swap and Derivatives Association veröffentlichten 2000 ISDA-Definitionen beizufügen]**

**[Sofern eine andere Methode der Feststellung anwendbar ist, sind die entsprechenden Einzelheiten anstelle der Bestimmungen dieses Absatzes 2 hier und in den anwendbaren Endgültigen Bedingungen einzufügen]**

**[Falls ein Mindest- und/oder Höchstzinssatz gilt, einfügen:**

(3) *[Mindest-] [und] [Höchst-] Zinssatz.*

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

**[Falls ein Höchstzinssatz gilt, einfügen:** Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als **[Höchstzinssatz einfügen]**, so ist der Zinssatz für diese Zinsperiode **[Höchstzinssatz einfügen].**

**[(4)] Zinsbetrag.** Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den auf die Schuldverschreibungen zahlbaren Zinsbetrag (der "Zinsbetrag") für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachstehend definiert) auf den Gesamtnennbetrag der Schuldverschreibungen 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 und den Gläubigern gemäß § 10 baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden [TARGET] [Londoner] Geschäftstag (wie in § 3(1) definiert) sowie jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen baldmöglichst, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind, sowie den Gläubigern gemäß § 10 mitgeteilt.

**[(6)] Verbindlichkeit der Festsetzungen.** Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Emissionsstelle[, die Zahlstellen] und die Gläubiger bindend.

**[(7)] Auflaufende Zinsen.** Der Zinslauf der Schuldverschreibungen endet an dem Tag, an dem sie zur Rückzahlung fällig werden. Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, endet die Verzinsung des ausstehenden Nennbetrags der Schuldverschreibungen nicht am Fälligkeitstag, sondern erst mit der tatsächlichen Rückzahlung der Schuldverschreibungen. Der jeweils geltende Zinssatz ist der gesetzlich festgelegte Satz für Verzugszinsen, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst.]

(C) Im Fall von Nullkupon-Schuldverschreibungen einfügen:

**[(1)] Keine periodischen Zinszahlungen.** Es erfolgen keine periodischen Zinszahlungen auf die Schuldverschreibungen.

**(2) Auflaufende Zinsen.** Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, fallen auf den ausstehenden Nennbetrag der Schuldverschreibungen ab dem Fälligkeitstag bis zum Tag der tatsächlichen Rückzahlung Zinsen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen an, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst.]

**[(D)] [Im Fall von Doppelwährungs-Schuldverschreibungen, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von Raten-Schuldverschreibungen, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von indexierten Schuldverschreibungen, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von Credit Linked Notes, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]**

**[Im Fall von anderen strukturierten Schuldverschreibungen, anwendbare Bestimmungen betreffend Zinsen hier und in den Endgültigen Bedingungen einfügen]]**

**[(\*) Zinstagequotient.** "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für einen

beliebigen Zeitraum (der "Zinsberechnungszeitraum"):

**[Im Fall von Actual/Actual (ICMA) einfügen:** die Anzahl von Tagen im jeweiligen Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls ein solcher nicht vorgesehen ist, vom Verzinsungsbeginn) bis zum jeweiligen Zinszahlungstag (ausschließlich) dividiert durch (x) bei Schuldverschreibungen deren Zinsen nur durch regelmäßige jährliche Zinszahlungen ausgezahlt werden sollen, die Anzahl der Tage im jeweiligen Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls keiner, von dem Verzinsungsbeginn) bis zum nächsten vorgesehenen Zinszahlungstag (ausschließlich) oder (y) bei Schuldverschreibungen deren Zinsen anders als nur durch regelmäßige jährliche Zinszahlungen ausgezahlt werden sollen, das Produkt aus der Anzahl der Tage im Zinsberechnungszeitraum vom letzten Zinszahlungstag (einschließlich) (oder, falls ein solcher nicht vorgesehen ist, vom Verzinsungsbeginn) bis zum nächsten vorgesehenen Zinszahlungstag (ausschließlich) und der Anzahl von Zinszahlungstagen, die in einem Kalenderjahr vorkommen würden falls Zinsen für das gesamte betreffende Jahr zu zahlen wären.]

**[Im Fall von Actual/Actual (ISDA) (Actual/365) einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 (oder falls ein Teil des Zinsberechnungszeitraums in ein Schaltjahr fällt, die Summe von (A) der tatsächlichen Anzahl von Tagen in dem Teil des Zinsberechnungszeitraums, die in das Schaltjahr fallen, dividiert durch 366 und (B) die tatsächliche Anzahl von Tagen in dem Teil des Zinsberechnungszeitraums, die nicht in ein Schaltjahr fallen, dividiert durch 365).]

**[Im Fall von Actual/365 (Fixed) einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.]

**[Im Fall von Actual/360 einfügen:** die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.]

**[Im Fall von 30/360, 360/360 oder Bond Basis einfügen:** 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 Monats, während der erste Tag des Zinsberechnungszeitraums weder auf den 30. noch auf den 31. Tag eines Monats fällt, in welchem Fall der den letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraums 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 einfügen:** die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des Datums des ersten oder letzten Tages des Zinsberechnungszeitraums).]

#### § 4 ZAHLUNGEN

(1) [(a)] *Zahlungen auf Kapital.* Zahlungen auf Kapital in bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems gegen Vorlage und (außer im Fall von Teilzahlungen) Einreichung der die Schuldverschreibungen zum Zeitpunkt der Zahlung verbriefenden Globalurkunde bei der bezeichneten Geschäftsstelle der Emissionsstelle außerhalb der Vereinigten Staaten.



Im Fall von  
Schuldverschreibungen, die  
keine Nullkupon-  
Schuldverschreibungen sind,  
einfügen:

[(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

**[Im Fall von Zinszahlungen auf eine vorläufige Globalurkunde einfügen:** Die Zahlung von Zinsen auf Schuldverschreibungen, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems, 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 **[festgelegte Währung einfügen]**.

(3) *Vereinigte Staaten.* Für die Zwecke des **[im Fall von TEFRA D Schuldverschreibungen einfügen: § 1(3) und des]** Absatzes 1 dieses § 4 bezeichnet "Vereinigte Staaten" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Ricos, der U. S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(4) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *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 (i) das Clearing System und (ii) **[falls die festgelegte Währung nicht Euro ist, einfügen: Geschäftsbanken und Devisenmärkte in [sämtliche relevanten Finanzzentren einfügen]] [falls die festgelegte Währung Euro ist, und im Falle von variabel verzinslichen Schuldverschreibungen, einfügen: TARGET] [falls die festgelegte Währung Euro ist und im Falle von Schuldverschreibungen, die keine variabel verzinslichen Schuldverschreibungen sind, einfügen: das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** Zahlungen abwickeln.

(6) *Bezugnahmen auf Kapital.* Bezugnahmen in diesen Emissionsbedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Schuldverschreibungen; **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzahlen, einfügen: den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen.] [im Fall von Raten-Schuldverschreibungen einfügen: die auf die Schuldverschreibungen anwendbare(n) Rate(n)]** sowie jeden Aufschlag sowie sonstige auf oder in bezug auf die Schuldverschreibungen zahlbaren Beträge.

(7) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem 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 RÜCKZAHLUNG

[(1)] Rückzahlung bei Endfälligkeit.

Im Fall von Schuldverschreibungen, die keine Raten-Schuldverschreibungen sind, einfügen:

[Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am [im Fall eines festgelegten Fälligkeitstages Fälligkeitstag einfügen] [im Fall eines Rückzahlungsmonats, einfügen: in den [Rückzahlungsmonat einfügen] fallenden Zinszahlungstag] (der "Fälligkeitstag") zurückgezahlt. Der Rückzahlungsbetrag in bezug auf jede Schuldverschreibung entspricht [falls die Schuldverschreibungen zu ihrem Nennbetrag zurückgezahlt werden, einfügen: dem Nennbetrag der Schuldverschreibungen] [ansonsten den Rückzahlungsbetrag für die jeweilige Stückelung einfügen].]

Im Fall von Raten-Schuldverschreibungen einfügen:

[Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen an dem/den nachstehenden Ratenzahlungstermin(en) zu der/den folgenden Rate(n) zurückgezahlt:

Ratenzahlungstermin(e)	Rate(n)
[Ratenzahlungstermin(e) einfügen]	[Rate(n) einfügen]
[ ]	[ ]
[ ]	[ ]

Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzahlen, einfügen:

[(2)] Vorzeitige Rückzahlung nach Wahl der Emittentin.

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen [insgesamt] [teilweise] am/an den Wahl-Rückzahlungstag [en] (Call) zum/zu den Wahl-Rückzahlungsbetrag/beträgen (Call), wie nachstehend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen. **[Bei Geltung eines Mindestrückzahlungsbetrages oder eines erhöhten Rückzahlungsbetrages einfügen:** Eine solche Rückzahlung muss in Höhe eines Nennbetrages von [mindestens **[Mindestrückzahlungsbetrag einfügen]] [erhöhter Rückzahlungsbetrag]** erfolgen.]

Wahl-Rückzahlungstag(e) (Call)	Wahl-Rückzahlungsbetrag/beträge (Call)
[Wahl-Rückzahlungstag(e) einfügen]	[Wahl-Rückzahlungsbetrag/beträge einfügen]
[ ]	[ ]
[ ]	[ ]

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 10 bekanntzugeben. Sie beinhaltet die folgenden Angaben:

- (i) die zurückzuzahlende Serie von Schuldverschreibungen;
- (ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen;
- (iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als **[Mindestkündigungsfrist einfügen]** und nicht mehr als **[Höchstkündigungsfrist einfügen]** 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 zurückgezahlten Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearing Systems ausgewählt.]

[Im Fall von Doppelwährungs-Schuldverschreibungen, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]

[Im Fall von indexierten Schuldverschreibungen, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]

[Im Fall von Credit Linked Notes, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]

[Im Fall von anderen strukturierten Schuldverschreibungen, anwendbare Bestimmungen hier und in den Endgültigen Bedingungen einfügen]]

## § 6

### DIE EMISSIONSSTELLE[.,] [UND] DIE ZAHLSTELLE [N]] [UND DIE BERECHNUNGSSTELLE]

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Emissionsstelle[.,] [und] die anfänglich bestellte[n] Zahlstelle[n]] [und die anfänglich bestellte Berechnungsstelle] und deren [jeweilige] anfängliche bezeichnete Geschäftsstelle [lautet] [lauten] wie folgt:

Emissionsstelle: BNP Paribas Securities Services,  
Luxembourg Branch  
33, Rue de Gasperich  
Howald-Hesperange  
L-2085 Luxembourg  
Luxembourg

[Zahlstelle[n]: **[andere Zahlstellen und bezeichnete Geschäftsstellen einfügen]]**

[Berechnungsstelle:] [BNP Paribas Securities Services,  
Luxembourg Branch  
33, Rue de Gasperich  
Howald-Hesperange  
L-2085 Luxembourg  
Luxembourg]

Die Emissionsstelle[.,] [und] die Zahlstelle[n]] [und die Berechnungsstelle] [behält] [behalten] sich das Recht vor, jederzeit ihre [jeweilige] bezeichnete Geschäftsstelle durch eine andere bezeichnete Geschäftsstelle in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle [oder einer Zahlstelle] [oder der Berechnungsstelle] 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[.,] [und] (ii) zusätzlich zu der Emissionsstelle eine Zahlstelle mit bezeichneter Geschäftsstelle in einer kontinentaleuropäischen Stadt unterhalten] **[im Fall von Schuldverschreibungen, die an einer Börse notiert sind, einfügen: .,] [und] [(iii)]** 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] **[im Fall von Zahlungen in US-Dollar einfügen: .,] [und] [(iv)]** falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 4 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] **[falls eine Berechnungsstelle bestellt werden soll, einfügen: und [(v)]** eine Berechnungsstelle **[falls die**

**Berechnungsstelle eine bezeichnete Geschäftsstelle an einem vorgeschriebenen Ort zu unterhalten hat, einfügen:** mit bezeichneter Geschäftsstelle in **[vorgeschriebenen Ort einfügen]** 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 § 10 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) *Beauftragte der Emittentin.* Die Emissionsstelle[[,] [und] die Zahlstelle[n]] [und die Berechnungsstelle] [handelt] [handeln] ausschließlich als Beauftragte der Emittentin und [übernimmt] [übernehmen] keinerlei Verpflichtungen gegenüber den Gläubigern; es wird kein Auftrags- oder Treuhandverhältnis zwischen [ihr] [ihnen] und den Gläubigern begründet.

## § 7 STEUERN

Sämtliche in bezug auf die Schuldverschreibungen zu zahlenden Beträge sind an der Quelle ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben.

## § 8 VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

## § 9 BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Emissionsstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

## § 10 MITTEILUNGEN

Im Fall von Schuldverschreibungen, die an einer Börse notiert sind und bei denen Mitteilungen über Zeitungen erfolgen sollen, einfügen:

[(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen sind in einer führenden Tageszeitung mit allgemeiner Verbreitung in **[Deutschland] [Luxemburg] [London] [anderen Ort einfügen]**, voraussichtlich **[Börsen-Zeitung] [d'Wort] [Financial Times] [andere Zeitung mit allgemeiner Verbreitung einfügen]** zu veröffentlichen. Jede derartige Mitteilung gilt am

ritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.]

Sofern eine Mitteilung durch elektronische Publikation auf der Website der betreffenden Börse möglich ist, einfügen:

[(1) *Bekanntmachung*. Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Website der **[betreffende Börse einfügen]** (**www. [internetadresse einfügen]**). Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Tag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.]

[(2)] *Mitteilungen an das Clearing-System*

Im Fall von Schuldverschreibungen, die nicht notiert sind, einfügen:

[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 an einer Börse notiert sind, einfügen:

[Solange Schuldverschreibungen an einer Börse notiert sind, findet Absatz 1 Anwendung. Soweit dies die Regeln der **[maßgebliche Börse einfügen]** zulassen, kann die Emittentin eine Veröffentlichung in einer Tageszeitung 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.]

## § 11

### ANWENDBARES RECHT, ERFÜLLUNGORT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht*. Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) *Erfüllungsort*. Erfüllungsort ist Essen.

(3) *Gerichtsstand*. Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("Rechtsstreitigkeiten") ist das Landgericht Essen. Die Zuständigkeit des vorgenannten Gerichts ist ausschließlich, soweit es sich um Rechtsstreitigkeiten handelt, die von Kaufleuten, juristischen Personen des öffentlichen Rechts, öffentlichrechtlichen Sondervermögen und Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland angestrengt werden. Die deutschen Gerichte sind ausschließlich zuständig für die Kraftloserklärung abhanden gekommener oder vernichteter Schuldverschreibungen.

(4) *Gerichtliche Geltendmachung*. Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine

vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "Depotbank" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

## **§ 12 SPRACHE**

Falls die Emissionsbedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen:

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

Falls die Emissionsbedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, einfügen:

[Diese Emissionsbedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigelegt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.]

Falls die Emissionsbedingungen ausschließlich in deutscher Sprache abgefasst sind, einfügen:

[Diese Emissionsbedingungen sind ausschließlich in deutscher Sprache abgefasst.]

## C. EMISSIONSBEDINGUNGEN FÜR GENUSSSCHEINE

### § 1

#### Begebung und Nennbetrag

(1) Die Hypothekenbank in Essen Aktiengesellschaft ("Essen Hyp" oder die "Emittentin"), begibt aufgrund der Ermächtigung durch die Hauptversammlung vom **[Datum der Hauptversammlung einfügen]** gem. § 10 Abs. 5 KWG Genussscheine im Gesamtnennbetrag von Euro **[Gesamtnennbetrag einfügen]** (in Worten: Euro **[Gesamtnennbetrag in Worten einfügen]**).

(2) Die Genussscheine lauten auf den Inhaber und sind eingeteilt in **[Anzahl der Stücke einfügen]** untereinander gleichberechtigte Stücke. Genussscheine über je Euro **[Nennbetrag einfügen]** Nennbetrag.

(3) Die Genussscheine sind in einer Inhaberglobalurkunde verbrieft, die bei der Clearstream Banking AG, Frankfurt am Main hinterlegt wird; jede Inhaberglobalurkunde trägt die eigenhändige Unterschrift von zwei vertretungsberechtigten Personen der Emittentin. Effektive Einzelkunden werden nicht erstellt.

### § 2

#### Ausschüttung

[Im Fall von festverzinslichen Genussscheinen einfügen:

(1) Die Genussscheininhaber erhalten ab dem **[Beginn der Verzinsung einfügen]** eine dem Gewinnanteil der Aktionäre der Essen Hyp vorgehende jährliche Ausschüttung in Höhe von **[Zinssatz einfügen]** %. Die Ausschüttung auf die Genussscheine ist dadurch begrenzt, dass durch sie keine Bilanzverlust entstehen darf.]

[Im Fall von variabel verzinslichen Genussscheinen einfügen:

(1)(a) Die Genussscheininhaber erhalten ab dem **[Beginn der Verzinsung einfügen]** eine dem Gewinnanteil der Aktionäre der Essen Hyp vorgehende jährliche Ausschüttung, die der Addition der Ausschüttungs-Teilbeträge aus den gemäß Absatz (b) zu den jeweiligen Referenzterminen ermittelten **[drei] [sechs] [neun] [zwölf]-**Monats Ausschüttungssätzen entspricht. Die Ausschüttung auf die Genussscheine ist dadurch begrenzt, dass keine Bilanzverlust entstehen darf.

"Referenztermine" sind der **[Referenztermine einfügen]** eines jeden Jahres. Der Zeitraum zwischen einem Referenztermin (einschließlich) und dem nächsten Referenztermin (ausschließlich) werden nachfolgend "Referenzperiode" genannt. Die letzte Referenzperiode endet mit dem Ende der Laufzeit der Genussscheine gemäß § 5.

(b) Der für jede Referenzperiode maßgebende Ausschüttungssatz für die Ermittlung der Ausschüttung auf die Genussscheine wird von der Zahlstelle nach den folgenden Bestimmungen ermittelt.

Der Ausschüttungssatz für jede Referenzperiode entspricht, sofern nachstehend nichts Abweichendes bestimmt wird, dem Referenzsatz (ausgedrückt als Prozentsatz per annum) für Einlagen in der festgelegten Währung für die jeweilige Referenzperiode, der auf der Bildschirmseite am jeweiligen Feststellungstag gegen 11.00 Uhr (**[Brüsseler] [Londoner]** Ortszeit) angezeigt wird **[im Fall einer Marge einfügen: [zuzüglich] [abzüglich] der Marge]**, wobei alle Festlegungen durch die Zahlstelle erfolgen.

"Feststellungstag" bezeichnet den **[zweiten] [zutreffende andere Zahl von Tagen einfügen] [Londoner] [TARGET] [zutreffende andere Bezugnahmen einfügen]** Geschäftstag vor Beginn der jeweiligen Referenzperiode. **[Falls der Geschäftstag kein TARGET Geschäftstag ist, einfügen: [Londoner] [zutreffenden anderen Ort einfügen]** "Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[London]**

**[zutreffenden anderen Ort einfügen]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.] **[Im Fall eines TARGET Geschäftstages einfügen:** "TARGET-Geschäftstag" bezeichnet einen Tag, an dem TARGET betriebsbereit ist.]

**[Im Fall einer Marge einfügen:** "Die Marge" beträgt [•] % per annum.]

"Bildschirmseite" bedeutet **[Bildschirmseite einfügen]**.

Sollte die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder wird kein Referenzsatz angezeigt (jeweils zu der genannten Zeit), wird die Zahlstelle von jeder der Referenzbanken (wie nachstehend definiert) **[in der Euro-Zone]** deren jeweilige Angebotssätze (jeweils als Prozentsatz per annum ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Referenzperiode gegenüber führenden Banken im **[Londoner]** Interbanken-Markt **[in der Euro-Zone]** um ca. 11.00 Uhr (**[Brüsseler]** **[Londoner]** Ortszeit) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Zahlstelle solche Angebotssätze nennen, ist der Ausschüttungssatz für die betreffende Referenzperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein **[falls der Referenzsatz EURIBOR ist, einfügen:** Tausendstel Prozent, wobei 0,0005] **[falls der Referenzsatz nicht EURIBOR ist, einfügen:** Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) **[andere relevante Rundungsbestimmung nach Maßgabe der Rundungsbestimmung des anwendbaren Angebotssatzes einfügen]** dieser Angebotssätze **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge], wobei alle Festlegungen durch die Zahlstelle erfolgen.

Falls an einem Feststellungstag nur eine oder keine der Referenzbanken der Zahlstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Ausschüttungssatz für die betreffende Referenzperiode der Satz per annum, den die Zahlstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein **[falls der Referenzsatz EURIBOR ist, einfügen:** Tausendstel Prozent, wobei 0,0005] **[falls der Referenzsatz nicht EURIBOR ist, einfügen:** Hunderttausendstel Prozent, wobei 0,000005] aufgerundet wird) **[andere relevante Rundungsbestimmung nach Maßgabe der Rundungsbestimmung des anwendbaren Angebotssatzes einfügen]** der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Zahlstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um ca. 11.00 Uhr (**[Brüsseler]** **[Londoner]** Ortszeit) an dem betreffenden Feststellungstag Einlagen in der festgelegten Währung für die betreffende Referenzperiode von führenden Banken im **[Londoner]** Interbanken-Markt **[in der Euro-Zone]** angeboten werden **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge]; falls weniger als zwei der Referenzbanken der Zahlstelle solche Angebotssätze nennen, dann soll der Ausschüttungssatz für die betreffende Referenzperiode der Referenzsatz für Einlagen in der festgelegten Währung für die betreffende Referenzperiode oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der festgelegten Währung für die betreffende Referenzperiode sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Zahlstelle und der Emittentin für diesen Zweck geeignet sind) der Zahlstelle als Sätze bekannt geben, die sie an dem betreffenden Feststellungstag gegenüber führenden Banken am **[Londoner]** Interbanken-Markt **[in der Euro-Zone]** nennen (bzw. den diese Banken gegenüber der Zahlstelle nennen) **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge]. Für den Fall, dass der Ausschüttungssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, entspricht der Ausschüttungssatz dem Referenzsatz oder dem arithmetischen Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Feststellungstag, an dem diese Angebotssätze angezeigt wurden **[im Fall einer Marge einfügen:** [zuzüglich] [abzüglich] der Marge (wobei jedoch, falls für die betreffende Zinsperiode eine andere Marge als



für die unmittelbar vorhergehende Referenzperiode gilt, die Marge der betreffenden Referenzperiode an die Stelle der Marge für die vorhergehende Referenzperiode tritt]).

"Referenzbanken" bezeichnen diejenigen Niederlassungen von vier derjenigen Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der maßgeblichen Bildschirmseite angezeigt wurde.

**[Im Fall des Interbanken-Marktes in der Euro-Zone einfügen: "Euro-Zone"** bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992) und den Amsterdamer Vertrag vom 2. Oktober 1997, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden]

(c) Die Zahlstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Ausschüttungssatz zu bestimmen ist, den auf die Genussscheine zahlbaren Ausschüttungsbetrag (der "Ausschüttungsbetrag") für die entsprechende Referenzperiode berechnen. Der Ausschüttungsbetrag wird ermittelt, indem der Ausschüttungssatz und der Zinstagequotient (wie nachstehend definiert) auf den Gesamtnennbetrag der Genussscheine angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

"Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Ausschüttungsbetrages auf einen Genussschein für einen beliebigen Zeitraum (der "Berechnungszeitraum"): die tatsächliche Anzahl von Tagen im Berechnungszeitraum dividiert durch 360.

(2) Die Ausschüttung auf die Genussscheine für das laufende Geschäftsjahr ist jeweils nachträglich am **[Tag der Ausschüttung einfügen]** des folgenden Jahres fällig. **[Falls die Ausschüttung für das erste und das zweite Geschäftsjahr zusammen erfolgt, einfügen: Die Ausschüttung für das Geschäftsjahr [maßgebliches Geschäftsjahr einfügen] ist zusammen mit der Ausschüttung für das Geschäftsjahr [maßgebliches Geschäftsjahr einfügen] am [Ausschüttungstag einfügen] fällig.** Falls der Fälligkeitstag kein Bankarbeitstag in Frankfurt am Main ist, wird die Fälligkeit auf den nächstfolgenden Bankarbeitstag in Frankfurt am Main verschoben. Sofern zu diesem Termin die ordentliche Hauptversammlung noch nicht über die Gewinnverwendung für das vorausgegangene Geschäftsjahr beschlossen hat, wird die Zahlung am ersten Bankarbeitstag (maßgeblich ist Frankfurt am Main) nach dem Tag der ordentlichen Hauptversammlung fällig.

(3) Die Ausschüttung ist dadurch begrenzt, dass durch Sie kein Bilanzverlust entstehen darf. Eine verminderte Ausschüttung auf diese, früher oder künftig von der Emittentin begebene Genussscheine erfolgt dann im Verhältnis der jeweiligen Ausschüttungsansprüche zueinander, sofern deren Bedingungen eine entsprechende Regelung vorsehen.

Im Falle einer Verminderung der Ausschüttung ist der fehlende Betrag in den folgenden Geschäftsjahren vorbehaltlich Absatz (3) Satz 1 nachzuzahlen. Die Nachzahlungen für diese und früher begebene Genussscheine werden anteilig im Verhältnis der jeweiligen Ausschüttungsansprüche zueinander vorgenommen. Dies gilt entsprechend auch für künftig zu begebende Genussscheine, sofern deren Bedingungen einen entsprechenden Nachzahlungsanspruch vorsehen. Bei der Nachzahlung sind zunächst die Rückstände in der Reihenfolge ihrer ursprünglichen Fälligkeit, sodann die letztfälligen Ausschüttungsansprüche zu bedienen. Ein Nachzahlungsanspruch besteht nur während der Laufzeit der Genussscheine. ]

### § 3

#### ABGRENZUNG VON GESELLSCHAFTSRECHTEN

Die Genussscheine verbriefen keine Gesellschafterrechte, insbesondere kein Bezugsrecht auf neue Genussscheine, keinen Anspruch auf Beteiligung am Liquidationserlös der Emittentin sowie keine Teilnahme-, Mitwirkungs- und Stimmrechte in deren Hauptversammlungen.

### § 4

#### AUSGABE WEITERERER GENUSSSCHEINE

- (1) Essen Hyp behält sich vor, von Zeit zu Zeit weitere Genussscheine zu gleichen oder anderen Bedingungen auszugeben.
- (2) Ein Bezugsrecht der Genussscheininhaber auf weitere Genussscheine ist nur gegeben, wenn die Hauptversammlung der Essen Hyp dem zustimmt.
- (3) Die Genussscheininhaber haben keinen Anspruch darauf, dass ihre Ausschüttungsansprüche im Rang den Ausschüttungsansprüchen vorgehen oder gleichstehen, die auf weitere Genussscheine entfallen

### § 5

#### LAUFZEIT, KÜNDIGUNG

(1) Die Laufzeit der Genussscheine endet am **[Datum einfügen]**. Vorbehaltlich der Bestimmungen gemäß § 6 werden die Genussscheine zum Nennbetrag zurückgezahlt. Der zurückzuzahlende Betrag ist am **[Rückzahlungstag einfügen]** fällig. § 2 Abs. 3 gilt entsprechend. Der zurückzuzahlende Betrag wird vom Ende der Laufzeit der Genussscheine an bis zum Tag vor der Fälligkeit **[mit dem im § 2 ermittelten Zinssatz einfügen anderen Zinssatz einfügen]** verzinst.

**[(2)]** Die Essen Hyp kann die Genussscheine unter Einhaltung einer Kündigungsfrist von mindestens zwei Jahren jeweils zum Ende eines Geschäftsjahres, frühestens zum **[Ankündigungstermin einfügen]** durch Bekanntmachung gemäß § 11 kündigen, wenn eine Rechtsvorschrift in der Bundesrepublik Deutschland erlassen, geändert oder in einer Weise angewendet wird, dass dies bei der Essen Hyp zur Zahlung zusätzlicher Beträge führt. Die Kündigung darf in diesem Falle – vorbehaltlich des in Satz 1 bestimmten Zeitpunktes – frühestens zum Ende des Geschäftsjahres ausgesprochen werden, das der Zinszahlung vorangeht, bei der erstmalig die Steuerbelastung bei der Emittentin anfallen würde. Die Rückzahlung der zum Ende eines Kalenderjahres gekündigten Genussscheine erfolgt vorbehaltlich der Bestimmungen des § 7 am **[Kündigungstermin einfügen]** des folgenden Jahres zum Nennbetrag.

**[(3)]** Die Genussscheininhaber können ihre Genussscheine nicht kündigen.

### § 6

#### VERLUSTTEILNAHME, WIEDERAUFFÜLLUNG DER RÜCKZAHLUNGSANSPRÜCHE

(1) Die Genussscheininhaber nehmen am laufenden Verlust (*Jahresfehlbetrag*) in voller Höhe teil. Wird in der Bilanz der Essen Hyp ein Bilanzverlust ausgewiesen oder das Grundkapital der Essen Hyp zur Deckung von Verlusten herabgesetzt, vermindert sich der Rückzahlungsanspruch jedes Genussscheininhabers in dem selben Verhältnis, wie der Anteil am Bilanzverlust zum Eigenkapital (**[einschließlich Genussscheinkapital]**) jedoch ohne andere nachrangige Verbindlichkeiten). Bei einer Kapitalherabsetzung vermindert sich der Rückzahlungsanspruch jedes Genussscheininhabers in dem selben Verhältnis, wie das Grundkapital herabgesetzt wird. Verlustvorträge aus den

Vorjahren bleiben hierbei außer Betracht.

[(2) Erzielt Essen Hyp nach einer Teilnahme der Genussscheininhaber am Verlust in den folgenden Geschäftsjahren Jahresüberschüsse, so sind aus diesen – nach der gesetzlich vorgeschriebenen Wiederauffüllung der gesetzlichen Rücklage – die Rückzahlungsansprüche bis zum Nennbetrag der Genussscheine zu erhöhen, bevor eine anderweitige Verwendung der Jahresüberschüsse vorgenommen wird. Diese Verpflichtung besteht nur während der Laufzeit der Genussscheine.

Reicht ein Jahresüberschuss zur Wiederauffüllung dieser und bereits begebener Genussscheine nicht aus, so wird die Wiederauffüllung des Kapitals dieser Genussscheine anteilig im Verhältnis ihres Gesamtnennbetrages zum Gesamtnennbetrag früher begebener Genussscheine vorgenommen. Dies gilt entsprechend auch für künftig zu begebende Genussscheine, sofern deren Bedingungen einen entsprechenden Wiederauffüllungsanspruch vorsehen]

## **§ 7 NACHRANG**

Die Forderungen aus den Genussscheinen gehen den Forderungen aller anderen Gläubiger der Essen Hyp, die nicht ebenfalls nachrangig sind, im Range nach. Im Falle der Insolvenz oder der Liquidation der Essen Hyp werden die Genussscheine gleichrangig mit vorher begebenen Genussscheinen nach allen anderen, nicht nachrangigen Gläubigern und vorrangig vor den Aktionären bedient. Die Genussscheine gewähren keinen Anteil am Liquidationserlös.

## **§ 8 HINWEIS GEMÄß § 10 ABSATZ 5 KWG**

Nachträglich können die Teilnahme am Verlust (§ 6 dieser Bedingungen) nicht geändert, der Nachrang der Genussscheine (§ 7 dieser Bedingungen) nicht beschränkt sowie die Laufzeit und die Kündigungsfrist nicht verkürzt werden. Ein vorzeitiger Rückerwerb oder eine anderweitige Rückzahlung ist außer in den Fällen des § 10 Abs. 5 Satz 6 KWG der Essen Hyp ohne Rücksicht auf entsprechende Vereinbarungen zurückzugewähren, sofern nicht das Kapital durch die Einzahlung anderen, zumindest gleichwertigen haftenden Eigenkapitals ersetzt worden ist oder das Bundesaufsichtsamt für Finanzdienstleistungsaufsicht der vorzeitigen Rückzahlung zustimmt.

## **§ 9 ZAHLSTELLE**

[Zahlstelle ist die Essen Hyp. Essen Hyp ist berechtigt, durch Bekanntmachung gemäß § 11 weitere Banken als Zahlstellen zu benennen und die Nennung einzelner Zahlstellen zu widerrufen.]

## **§ 10 ANWENDBARES RECHT, ERFÜLLUNGORT, GERICHTSSTAND**

(1) Die Genussscheinbedingungen sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach dem Recht der Bundesrepublik Deutschland. Erfüllungsort ist Essen.

(2) Ausschließlicher Gerichtsstand für alle Streitigkeiten, die sich aus den in diesen Genussscheinbedingungen geregelten Rechtsverhältnissen ergeben, ist für Kaufleute, juristische Personen des öffentlichen Rechtes oder öffentlich-rechtliche Sondervermögen Essen, soweit nicht zwingende gesetzliche Vorschriften etwas anderes bestimmen.

## **§ 11**

## BEKANNTMACHUNGEN

- (1) Bekanntmachungen der Essen Hyp, die die Genussscheine betreffen, erfolgen im Bundesanzeiger und in einem Pflichtblatt derjenigen deutschen Börse, an der die Genussscheine zum Börsenhandel zugelassen sind.
- (2) Zur rechtlichen Wirksamkeit genügt die ordnungs- und fristgemäße Veröffentlichung im Bundesanzeiger.

### § 12

#### SALVATORISCHE KLAUSEL

Sollten irgendwelche Bestimmungen dieser Genussscheinbedingungen ganz oder teilweise rechtsunwirksam sein oder werden, so bleiben die übrigen Bestimmungen dieser Genussscheinbedingungen in Kraft. Unwirksame Bestimmungen sind dem Sinn und Zweck dieser Genussscheinbedingungen entsprechend durch wirksame Bestimmungen zu ersetzen, die in ihren wirtschaftlichen Auswirkungen denjenigen der unwirksamen Bestimmungen so nahe kommen wie rechtlich möglich.

### § 13

#### SPRACHE

Falls die Emissionsbedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen:

[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, einfügen:

[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, einfügen:

[Diese Emissionsbedingungen sind ausschließlich in deutscher Sprache abgefasst.]

## D. EMISSIONSBEDINGUNGEN FÜR GLOBALPFANDBRIEFE

### § 1

#### ALLGEMEINE BESTIMMUNGEN

(1) Die [Zinssatz einfügen] % [im Fall von Hypothekendarlehen einfügen: [Globale Hypothekendarlehen einfügen] [im Fall von Öffentlichen Darlehen einfügen: [Globale Öffentliche Darlehen einfügen] der Hypothekendarlehenbank in Essen Aktiengesellschaft, Gildehofstrasse 1, 45127 Essen, Bundesrepublik Deutschland (die "Emittentin") im Gesamtnennbetrag von [Gesamtnennbetrag in Worten einfügen] [€/USD] ([Gesamtnennbetrag einfügen]) sind in [Anzahl der Stücke einfügen] untereinander gleichberechtigte [im Fall von Hypothekendarlehen einfügen: Hypothekendarlehen einfügen] [im Fall von Öffentlichen Darlehen einfügen: Öffentliche Darlehen einfügen] im Nennbetrag von je [€/USD] [festgelegte Stückelung einfügen] (die "Darlehenbriefe" oder die "Emission") eingeteilt.

(2) Die Darlehenbriefe samt Zinsansprüchen sind für die gesamte Laufzeit durch zwei Dauerglobalurkunden ohne Zinsscheine verbrieft. Eine der beiden Dauerglobalurkunden (die "CBF-Globalurkunde") wird von Clearstream Banking AG, Frankfurt am Main ("CBF"), oder deren Rechtsnachfolger verwahrt, bis sämtliche Verpflichtungen der Anleiheschuldnerin aus den Darlehenbriefen erfüllt sind. Die CBF-Globalurkunde lautet auf den Inhaber. Sie verbrieft die Darlehenbriefe, die für Finanzinstitute verwahrt werden, die Kontoinhaber bei CBF sind, einschließlich derjenigen Darlehenbriefe, die über Euroclear Bank S.A./N.V., als Betreiberin des Euroclear-Systems ("Euroclear") und Clearstream Banking, société anonyme, Luxembourg ("CBL") verwahrt werden, die beide Kontoinhaber bei CBF sind. Die andere Dauerglobalurkunde (die "DTC-Globalurkunde") wird von [J. P. Morgan Trust Company, National Association] [anderer Verwahrer] oder einem etwaigen Rechtsnachfolger als Verwahrer für The Depository Trust Company, New York, ("DTC") verwahrt, bis sämtliche Verpflichtungen der Anleiheschuldnerin aus den Darlehenbriefen erfüllt sind. Die DTC-Globalurkunde ist als Namenspapier ausgegeben und auf den Namen von Cede & Co. als dem Beauftragten von DTC ausgestellt worden. Sie verbrieft die Darlehenbriefe, die für Finanzinstitute verwahrt werden, die DTC-Teilnehmer sind. Die CBF Globalurkunde und die DTC-Globalurkunde tragen jeweils die eigenhändige Unterschrift von zwei vertretungsberechtigten Personen der Emittentin und des staatlich bestellten Treuhänders. Die durch die CBF-Globalurkunde und die DTC-Globalurkunde verbrieften Darlehenbriefe stellen zusammen den jeweils ausstehenden Gesamtnennbetrag der Anleihe dar. Der Betrag, der jeweils auf die durch die CBF-Globalurkunde und die DTC-Globalurkunde verbrieften Darlehenbriefe entfällt, ergibt sich aus dem Register (das "Register"), das die Registrierungsstelle zu diesem Zweck führt. Effektive Urkunden über einzelne Darlehenbriefe und Zinsscheine werden nicht ausgegeben. Kopien der CBF-Globalurkunde und der DTC-Globalurkunde sind bei der Deutschen Zahlstelle kostenlos erhältlich.

(3) Übertragungen von Darlehenbriefen setzen entsprechende Depotbuchungen voraus:

(a) Übertragungen von Darlehenbriefen zwischen CBF-Kontoinhabern einerseits und DTC-Teilnehmern andererseits sind im Register zu vermerken und erfolgen durch eine entsprechende Erhöhung oder Verminderung des Gesamtbetrags der durch die DTC-Globalurkunde verbrieften Darlehenbriefe und eine gleichhohe Verminderung oder Erhöhung des Gesamtbetrags der durch die CBF-Globalurkunde verbrieften Darlehenbriefe. Darlehenbriefe, die durch die DTC-Globalurkunde verbrieft sind, dürfen nur an einen CBF-Kontoinhaber übertragen werden, wenn die Registrierungsstelle (wie in § 8 definiert) eine schriftliche Bestätigung vom Übertragenden erhält, wonach die Übertragung in Übereinstimmung mit Regulation S des U.S. Securities Act von 1933 in seiner

gültigen Fassung erfolgt.

(b) Übertragungen von Pfandbriefen zwischen CBF-Kontoinhabern, DTC-Teilnehmern, Euroclear-Teilnehmern und CBL-Teilnehmern erfolgen nach den von CBF, DTC, Euroclear bzw. CBL hierfür bestimmten Verfahren.

(c) Übertragungen von Pfandbriefen zwischen Euroclear-Teilnehmern einerseits und CBL-Teilnehmern andererseits erfolgen nach den von Euroclear und CBL hierfür bestimmten Verfahren.

(d) Übertragungen von Pfandbriefen zwischen Euroclear- oder CBL-Teilnehmern einerseits und CBF-Kontoinhabern andererseits erfolgen über CBF nach dem hierfür bestimmten Verfahren.

(4) Ein und derselbe Anleihegläubiger kann Pfandbriefe, die durch die CBF-Globalurkunde verbrieft werden, gegen Pfandbriefe austauschen, die durch die DTC-Globalurkunde verbrieft werden. Ein solcher Austausch ist im Register zu vermerken und erfolgt durch Erhöhung des Gesamtbetrags der durch die DTC-Globalurkunde verbrieften Pfandbriefe um den Gesamtnennbetrag der so ausgetauschten Pfandbriefe und eine gleichhohe Verminderung des Gesamtbetrags der durch die CBF-Globalurkunde verbrieften Pfandbriefe.

(5) Übertragungen von Pfandbriefen nach Absatz (3)(a) sowie der Austausch von Pfandbriefen nach Absatz (4) sind während des Zeitraums vom Stichtag nach § 4(2) bis zu dem zugehörigen Zahlungstag (jeweils einschließlich) abgeschlossen.

## § 2 ZINSEN

(1) Die Pfandbriefe werden vom **[Verzinsungsbeginn einfügen]** an mit jährlich **[Zinssatz einfügen]** % verzinst. Die Zinsen sind nachträglich am **[Festzinstermine) einfügen]** eines jeden Jahres zur Zahlung fällig. Die erste Zinszahlung ist am **[ersten Zinszahlungstag einfügen]**<sup>1)</sup> **[sofern der erste Zinszahlungstag nicht der erste Jahrestag des Begebungstags ist, einfügen: und beläuft sich auf [anfänglichen Bruchteilszinsbetrag einfügen]** je Schuldverschreibung im Nennbetrag von **[festgelegte Stückelung einfügen]** fällig. Die Verzinsung der Pfandbriefe endet mit dem Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. **[Sofern der Fälligkeitstag kein Zinszahlungstag ist, einfügen: Die Zinsen für den Zeitraum vom [den letzten dem Fälligkeitstag vorausgehenden Zinszahlungstag einfügen]** (einschließlich) bis zum Tag, an dem die Pfandbriefe zur Rückzahlung fällig werden (ausschließlich), belaufen sich auf **[abschließenden Bruchteilszinsbetrag]** je Schuldverschreibung im Nennbetrag von **[festgelegte Stückelung einfügen].]**

(2) Sofern es die Emittentin, gleich aus welchem Grund, unterlässt, die zur Rückzahlung fälliger Pfandbriefe erforderlichen Beträge bei Fälligkeit in voller Höhe bereitzustellen, läuft die Zinsverpflichtung gemäß Absatz (1) auf den Kapitalbetrag dieser Pfandbriefe so lange weiter, bis die Zahlung des Kapitalbetrages dieser Pfandbriefe erfolgt ist.

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<sup>1)</sup> Falls der erste Zinszahlungstag nicht ein Jahr oder weniger (d. h. üblicherweise 365 Tage) nach dem Tag der Begebung liegt, dann gelten die Pfandbriefe als mit einem Abschlag auf den Ausgabepreis für die Zwecke der amerikanischen Einkommensteuer ausgegeben. In diesem Fall müssten die Zinsen (einschließlich Abschläge) gemäß einer Methode der konstanten Rendite von einem amerikanischen Gläubiger der Pfandbriefe versteuert werden, ungeachtet seiner Bilanzierungsmethode.

Falls die festgelegte Währung Euro ist, einfügen:

[(3) Die Berechnung der Zinsen wird auf der Grundlage der tatsächlichen Anzahl von Tagen im Zinsberechnungszeitraum geteilt durch 365 (oder falls ein Teil des Zinsberechnungszeitraums in ein Schaltjahr fällt, die Summe von (A) der tatsächlichen Anzahl von Tagen in dem Teil des Zinsberechnungszeitraums, die in das Schaltjahr fallen, dividiert durch 366 und (B) die tatsächliche Anzahl von Tagen in dem Teil des Zinsberechnungszeitraums, die nicht in ein Schaltjahr fallen, dividiert durch 365) vorgenommen.]

Falls die festgelegte Währung USD ist, einfügen:

[(3) Die Berechnung der Zinsen wird auf der Grundlage der Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360 vorgenommen, 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 Monats, während der erste Tag des Zinsberechnungszeitraums weder auf den 30. noch auf den 31. Tag eines Monats fällt, in welchem Fall der den letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraums 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).]

### § 3 RÜCKZAHLUNG

Die Emittentin zahlt die Pfandbriefe am **[festgelegten Endfälligkeitstag einfügen]** zum Nennbetrag zurück. Weder die Emittentin noch die Gläubiger können die Pfandbriefe kündigen.

### § 4 ZAHLUNGEN

(1) (a) Zahlungen von Kapital und Zinsen auf die Pfandbriefe erfolgen am jeweiligen Zahlungstag an CBF **[falls die festgelegte Währung Euro ist, einfügen: in Euro] [falls die festgelegte Währung USD ist, einfügen: in USD]** und an den eingetragenen Inhaber der DTC-Globalurkunde **[falls die festgelegte Währung Euro ist, einfügen: in USD oder Euro nach Maßgabe der nachfolgenden Bestimmungen] [falls die festgelegte Währung USD ist, einfügen: in USD]**. Der Betrag der Zahlungen an CBF einerseits und den eingetragenen Inhaber der DTC-Globalurkunde andererseits bemisst sich nach der Höhe des Gesamtnennbetrages der Pfandbriefe, die durch die CBF-Globalurkunde und die DTC-Globalurkunde verbrieft werden, so wie er durch die Registrierungsstelle bei Geschäftsschluss am jeweiligen Stichtag (wie in Absatz (2) definiert) festgestellt wird. Zahlungen von Kapital erfolgen gegen Einreichung der CBF-Globalurkunde und der DTC-Globalurkunde bei der betreffenden Zahlstelle.

Falls die festgelegte Währung Euro ist, einfügen:

(b) Ein Anleihegläubiger, der seine Pfandbriefe über die DTC hält (ein "**DTC-Anleihegläubiger**"), erhält Zahlungen von Kapital und Zinsen auf die Pfandbriefe in USD, soweit er nicht gemäß den nachfolgend beschriebenen Verfahren Zahlungen in Euro wählt. Soweit DTC-Anleihegläubiger für eine Zahlung von Kapital oder Zinsen keine derartige Wahl getroffen haben, wird der für alle diese DTC-Anleihegläubiger bei dieser Zahlung bestimmte Gesamtbetrag (der "**Euro-Umtauschbetrag**") dem Konto der New Yorker Zahlstelle bei der Deutschen Zahlstelle gutgeschrieben und von der New Yorker Zahlstelle in USD umgetauscht und durch Überweisung in gleichmäßig verfügbaren Mitteln an die eingetragenen Inhaber der DTC-Globalurkunde zur Auszahlung über das Abrechnungssystem der DTC an die betreffenden DTC-Teilnehmer gezahlt. Alle Kosten eines derartigen Umtauschs und der Überweisung werden von diesen Zahlungen abgezogen. Jeder derartige Umtausch basiert auf dem Ankaukurs der New Yorker Zahlstelle vor oder um 11.00 Uhr New Yorker Zeit am zweiten

New Yorker Geschäftstag (wie in Absatz (3) definiert) vor dem jeweiligen Zahlungstag für den Kauf der USD durch die New Yorker Zahlstelle gegen den Euro-Umtauschbetrag zur Abrechnung an diesem Zahlungstag. Falls es einen derartigen Ankaufskurs nicht gibt, wird die New Yorker Zahlstelle von einer im Devisenhandel führenden Bank in New York City, die von der New Yorker Zahlstelle zu diesem Zweck ausgewählt wird, einen Ankaufskurs einholen. Falls kein Ankaufskurs einer im Devisenhandel führenden Bank erhältlich ist, verbleibt der Euro-Umtauschbetrag auf dem Konto der New Yorker Zahlstelle bei der Deutschen Zahlstelle und wird mit einem Zinssatz, der von der Deutschen Zahlstelle für bei ihr als Tagesgeld angelegte Einlagen gestellt wird, verzinst, bis DTC von den betreffenden DTC-Anleihegläubigern Weisungen erhalten hat, die Auszahlung dieser Mittel, zusammen mit anteilig aufgelaufenen Tagesgeldzinsen, vorzunehmen.

(c) Ein DTC-Anleihegläubiger kann Zahlung von Kapital und Zinsen auf die Pfandbriefe in Euro wählen, indem er DTC durch den betreffenden DTC-Teilnehmer dazu veranlasst, die New Yorker Zahlstelle zu dem nachfolgend bestimmten Zeitpunkt über (i) die Wahl dieses DTC-Anleihegläubigers, diese Zahlung ganz oder zum Teil in Euro zu empfangen, und (ii) den Auftrag zur Überweisung auf ein Euro-Konto zu benachrichtigen. Eine derartige Wahl hat für die jeweilige Zahlung durch den DTC-Anleihegläubiger zu dem Zeitpunkt und in der Art und Weise zu erfolgen, wie sie von den jeweils anwendbaren Verfahrensregeln der DTC gefordert wird, und ist gemäß diesen Verfahrensregeln unwiderruflich. Die Benachrichtigung seitens der DTC über diese Wahl, den Überweisungsauftrag und den in Euro gemäß diesem Absatz (1)(c) zahlbaren Betrag muss bei der New Yorker Zahlstelle vor 17.00 Uhr (New Yorker Zeit) am fünften New Yorker Geschäftstag (wie in Absatz (3) definiert) nach dem jeweiligen Stichtag (wie in Absatz (2) definiert) für Zinsen und vor 17.00 Uhr (New Yorker Zeit) am achten New Yorker Geschäftstag vor dem Zahlungstag (wie in Absatz (4) definiert) für die Zahlung von Kapital eingegangen sein. Zahlungen in Euro gemäß diesem Absatz (1)(c) erfolgen durch Überweisung von gleichmäßig verfügbaren Mitteln auf die von der DTC bezeichneten Euro-Konten.

[(b)][(d)] Zahlungen der Anleiheschuldnerin an CBF und an den eingetragenen Inhaber der DTC-Globalurkunde oder nach dessen Weisung befreien die Anleiheschuldnerin in Höhe der geleisteten Zahlungen von ihren Verbindlichkeiten aus den Pfandbriefen.

(2) Der Stichtag (der "**Stichtag**") für Zahlungen von Kapital und Zinsen ist der jeweils frühere der beiden folgenden Termine: (a) der Tag, nach dem sich aufgrund der jeweils geltenden Regeln der CBF die Empfangsberechtigung der CBF-Kontoinhaber für Zahlungen auf bei CBF verwahrte Pfandbriefe bestimmt, die auf **[falls die festgelegte Währung Euro ist, einfügen: Euro] [falls die festgelegte Währung USD ist, einfügen: USD]** lauten und in Dauerglobalurkunden verbrieft sind, und (b) der zehnte New Yorker Geschäftstag (wie in Absatz (4) definiert) vor dem jeweiligen Fälligkeitstag.



(3) Ist ein Fälligkeitstag für die Zahlung von Kapital oder Zinsen in Euro auf einen Pfandbrief nicht ein Frankfurter Geschäftstag, so wird die betreffende Zahlung erst am nächstfolgenden Frankfurter Geschäftstag geleistet, ohne dass wegen dieser Zahlungsverzögerung zusätzliche Zinsen gezahlt werden.<sup>2)</sup> Ist ein Tag für die Zahlung von Kapital oder Zinsen in USD nicht ein Frankfurter Geschäftstag oder nicht ein New Yorker Geschäftstag, so wird die betreffende Zahlung erst am nächsten Tag, der zugleich Frankfurter und New Yorker Geschäftstag ist, geleistet, ohne dass wegen dieser Zahlungsverzögerung zusätzliche Zinsen gezahlt werden.<sup>2)</sup> "Frankfurter Geschäftstag" ist ein Tag (außer einem Samstag oder einem Sonntag), an dem CBF [falls die festgelegte Währung Euro ist, einfügen: und das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)] Zahlungen abwickeln und ein "New Yorker Geschäftstag" ein Tag (außer einem Samstag oder einem Sonntag), an dem Banken in New York City nicht verpflichtet und nicht berechtigt sind, zu schließen.

(4) Im Sinne dieser Pfandbriefbedingungen ist "Zahlungstag" der Tag, an dem, gegebenenfalls aufgrund einer Anpassung gemäß Absatz (4), die Zahlung tatsächlich zu leisten ist, und "Fälligkeitstag" der vorgesehene Zahlungstermin ohne Berücksichtigung einer solchen Anpassung.

## § 5 STEUERN

Sämtliche Zahlungen von Kapital und Zinsen auf die Pfandbriefe sind von der Emittentin ohne jeden Abzug oder Einbehalt von oder wegen gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben jedweder Art, die durch die Bundesrepublik Deutschland oder irgendeine dort zur Steuererhebung ermächtigte Stelle erhoben oder eingezogen werden, zu leisten, es sei denn, die Emittentin ist durch Gesetz verpflichtet, einen solchen Abzug oder Einbehalt vorzunehmen

## § 6 STATUS

Die Verpflichtungen aus den Pfandbriefen stellen untereinander unmittelbare und unbedingte Verpflichtungen der Emittentin dar. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen im gleichen Rang mit allen anderen Verpflichtungen aus [im Fall von Hypothekendarlehen einfügen: Hypothekendarlehen] [im Fall von Öffentlichen Pfandbriefen einfügen: Öffentlichen Pfandbriefen] der Emittentin.

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<sup>2)</sup> Sollte ein Zinszahlungstag hinsichtlich der Pfandbriefe auf einen Tag verschoben werden, der nicht ein Jahr (d. h. üblicherweise 365 Tage) oder weniger nach dem ersten Zinszahlungstag liegt, dann gelten die Pfandbriefe als mit einem Abschlag auf den Ausgabepreis für die Zwecke der amerikanischen Einkommensteuer ausgegeben. In diesem Fall müssten die Zinsen (einschließlich Abschläge) gemäß einer Methode der konstanten Rendite von einem amerikanischen Gläubiger der Pfandbriefe versteuert werden, ungeachtet seiner Bilanzierungsmethode.

## § 7

### BEGEBUNG WEITERER PFANDBRIEFE

Die Emittentin behält sich vor, von Zeit zu Zeit ohne Zustimmung der Gläubiger weitere Pfandbriefe mit gleicher Ausstattung in der Weise zu begeben, dass sie mit den Pfandbriefen zusammengefasst werden, eine einheitliche Anleihe mit ihnen bilden und ihren Gesamtnennbetrag erhöhen.<sup>3)</sup> Der Begriff "Pfandbriefe" umfasst im Fall einer solchen Erhöhung auch solche zusätzlich begebenen Pfandbriefe.

## § 8

### DIE REGISTRIERUNGSSTELLE UND DIE ZAHLSTELLEN

(1) Die anfänglich bestellte Registrierungsstelle (die "**Registrierungsstelle**"), die anfänglich bestellte Deutsche Zahlstelle (die "**Deutsche Zahlstelle**") und die anfänglich bestellte New Yorker Zahlstelle (die "**New Yorker Zahlstelle**", und, zusammen mit der Deutschen Zahlstelle, die "**Zahlstellen**") und deren jeweilige anfängliche bezeichnete Geschäftsstelle lauten wie folgt:

Registrierungsstelle: BNP Paribas Securities Services,  
Luxembourg Branch  
33, Rue de Gasperich  
Howald-Hesperange  
L-2085 Luxembourg  
Luxembourg

Deutsche Zahlstelle: [Hypothekbank in Essen AG  
Gildehofstrasse 1  
D-45127 Essen  
Germany]

New Yorker Zahlstelle: [Adresse der New Yorker Zahlstelle einfügen]

Die Registrierungsstelle und die Zahlstellen behalten sich das Recht vor, jederzeit ihre jeweilige bezeichnete Geschäftsstelle durch eine anderen bezeichnete Geschäftsstelle zu ersetzen.

(2) Die Anleiheschuldnerin behält sich das Recht vor, jederzeit die Bestellung der Registrierungsstelle zu ändern oder zu beenden und eine andere Registrierungsstelle oder andere Zahlstellen zu bestellen. Die Anleiheschuldnerin wird sicherstellen, dass für die gesamte Zeit, in der Pfandbriefe ausstehen, stets eine (i) Registrierungsstelle, (ii) Deutsche Zahlstelle und (iii) New Yorker Zahlstelle unterhalten werden, um die diesen Stellen in diesen Pfandbriefbedingungen zugewiesenen Aufgaben zu erfüllen. 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 § 9 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) Die Registrierungsstelle, die Deutsche Zahlstelle und die New Yorker Zahlstelle handeln ausschließlich als Erfüllungsgehilfen der Anleiheschuldnerin und stehen in keinem Auftrags- oder Treuhandverhältnis zu den Anleihegläubigern.

<sup>3)</sup> Sollte die Emittentin weitere Pfandbriefe mit einem größeren als *de minimis* Abschlag für die Zwecke der amerikanischen Einkommensteuer auf den Ausgabepreis begeben, würden Käufer der Pfandbriefe nach dem Ausgabebetrag weiterer Emissionen nicht in der Lage sein, zwischen diesen später ausgegebenen und früher ausgegebenen Pfandbriefen zu unterscheiden. Deshalb ist es für Käufer der Pfandbriefe nach einer solchen weiteren Emission erforderlich, Abschläge auf den Ausgabepreis hinsichtlich der Pfandbriefe zu versteuern (oder größere Beträge des Abschlags zu versteuern, als dies sonst erforderlich wäre).

## § 9 BEKANNTMACHUNGEN

(1) Alle Bekanntmachungen, die die Pfandbriefe betreffen, werden in folgenden Zeitungen veröffentlicht: (a) in einem Pflichtblatt der Düsseldorfer Wertpapierbörse, (b) in einer in englischer Sprache erscheinenden und in New York allgemein verbreiteten führenden Tageszeitung [,][und] (c) in einer in englischer Sprache erscheinenden und in London allgemein verbreiteten führenden Tageszeitung **[falls die Pfandbriefe auch an der Luxemburger Börse notiert sind, einfügen: und** (d) einer in Luxemburg allgemein verbreiteten führenden Tageszeitung]. Die Bekanntmachungen gemäß (b) [,][oder] (c) **[falls die Pfandbriefe auch an der Luxemburger Börse notiert sind: oder (d),]** werden unter normalen Umständen voraussichtlich jeweils in The Wall Street Journal [,][und] der Financial Times **[falls die Pfandbriefe auch an der Luxemburger Börse notiert sind: und d'Wort]** erscheinen. Für das Datum und die Rechtswirksamkeit sämtlicher Bekanntmachungen ist die Veröffentlichung in einem Pflichtblatt der Düsseldorfer Wertpapierbörse maßgeblich.

(2) Vorausgesetzt, dass dies nach den Regeln der Düsseldorfer Wertpapierbörse **[falls die Pfandbriefe auch an der Luxemburger Börse notiert sind: und der Luxemburger Börse]** zulässig ist, kann sofern die Pfandbriefe an der Düsseldorfer Wertpapierbörse **[falls die Pfandbriefe auch an der Luxemburger Börse notiert sind: und der Luxemburger Börse]** gelistet sind, die Veröffentlichung in den genannten Zeitungen dadurch ersetzt werden, dass die Bekanntmachung an das jeweilige Clearingsystem zur Weiterleitung an die Gläubiger übergeben wird. Eine derartige Mitteilung an die Gläubiger gilt am siebten Tag nach der Übergabe der Bekanntmachung an sämtliche Clearingsysteme als bekanntgegeben.

## § 10 ANWENDBARES RECHT; GERICHTSSTAND; GELTENDMACHUNG VON ANSPRÜCHEN

(1) Die Pfandbriefe unterliegen dem Recht der Bundesrepublik Deutschland. Übertragungen und Verpfändungen von bei DTC verwahrten Pfandbriefen, die zwischen DTC-Teilnehmern oder zwischen der DTC und DTC-Teilnehmern durchgeführt werden, unterliegen dem Recht des Staates New York (einschließlich des Kollisionsrechtes des Staates New York).

(2) Zuständig für alle Klagen oder sonstigen Verfahren ("Rechtsstreitigkeiten") aus oder im Zusammenhang mit den Pfandbriefen ist das Landgericht in Essen (nicht ausschließlicher Gerichtsstand). Die Anleiheschuldnerin unterwirft sich hiermit der Gerichtsbarkeit dieses Gerichts.

(3) Jeder Gläubiger kann in Rechtsstreitigkeiten gegen die Emittentin oder Rechtsstreitigkeiten, an denen der Gläubiger und die Anleiheschuldnerin beteiligt sind, im eigenen Namen seine Rechte aus den ihm zustehenden Pfandbriefen unter Vorlage folgender Unterlagen wahrnehmen und durchsetzen: (a) einer Bescheinigung seiner Depotbank, die (i) den vollen Namen und die volle Anschrift des Gläubigers bezeichnet, (ii) einen Gesamtnennbetrag von Pfandbriefen angibt, die am Ausstellungstag dieser Bescheinigung dem bei dieser Depotbank bestehenden Depot des Gläubigers gutgeschrieben sind, und (iii) bestätigt, dass die Depotbank CBF oder DTC sowie der Registrierungsstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (i) und (ii) enthält, und Bestätigungsvermerke von CBF oder DTC sowie des betroffenen CBF-Kontoinhabers oder DTC-Teilnehmers trägt, sowie (b) einer von einem Vertretungsberechtigten der CBF oder der DTC oder der Registrierungsstelle beglaubigten Ablichtung der CBF-Globalurkunde bzw. DTC-Globalurkunde. Im Sinne der vorstehenden Bestimmungen ist "Depotbank" ein Bank- oder

sonstiges Finanzinstitut (einschließlich CBF, DTC, Euroclear und CBL) von allgemein anerkanntem Ansehen, das eine Genehmigung für das Wertpapier-Depotgeschäft hat und bei dem der Gläubiger Pfandbriefe im Depot verwahren lässt.

#### **§ 11 SPRACHE**

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.

## TEIL II – ZUSATZ ZU DEN GRUNDBEDINGUNGEN

### EINZELURKUNDEN

Falls die anwendbaren Endgültigen Bedingungen die Begebung von Einzelurkunden vorsehen, werden die Emissionsbedingungen für Schuldverschreibungen (ausgenommen Pfandbriefe) gemäß TEIL I (A) soweit unten angegeben und nach Maßgabe der anwendbaren Endgültigen Bedingungen ergänzt.

**[§ 1(3)(a) (WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN – Vorläufige Globalurkunde – Austausch) ist wie folgt zu ersetzen:**

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "vorläufige Globalurkunde") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird **[falls die vorläufige Globalurkunde ausschließlich gegen Einzelurkunden ausgetauscht wird, einfügen: gegen Einzelurkunden in den festgelegten Stückelungen ("Einzelurkunden") [falls die Schuldverschreibungen mit Zinsscheinen, Talons und/oder Rückzahlungsscheinen ausgegeben werden, einfügen: mit beigefügten [Zinsscheinen ("Zinsscheine") [und Talons ("Talons") für weitere Zinsscheine] [und] [Rückzahlungsscheinen ("Rückzahlungsscheine") für die Zahlung der Tilgungsraten]] ausgetauscht] [falls die Schuldverschreibungen mit Zinsscheinen, Talons und/oder Rückzahlungsscheinen ausgegeben werden, einfügen: mit beigefügten [Zinsscheinen ("Zinsscheine") [Talons ("Talons") für weitere Zinsscheine] [und] [Rückzahlungsscheinen ("Rückzahlungsscheine") für die Zahlung der Tilgungsrater]] [falls die Schuldverschreibungen mit Zinsscheinen ausgegeben werden, einfügen: mit beigefügten Globalzinsscheinen (jeweils ein "Globalzinsschein")]]** ausgetauscht. Die vorläufige Globalurkunde **[falls die Schuldverschreibungen mit Zinsscheinen ausgegeben werden, einfügen: und jeder Globalzinsschein]]** trägt die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin] und die vorläufige Globalurkunde ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Die Einzelurkunden **[falls die Schuldverschreibungen mit Zinsscheinen, Talons und/oder Rückzahlungsscheinen ausgegeben werden, einfügen: und die [Zinsscheine][.] [und] [Talons] [und Rückzahlungsscheine]** tragen die faksimilierten Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin] und die Einzelurkunden sind von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen.]

(i) im Fall von Schuldverschreibungen, die keine TEFRA D Schuldverschreibungen sind

**[§ 1(3)(b) (WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN – vorläufige Globalurkunde – Austausch) ist wie folgt zu ersetzen:**

[(b) Die vorläufige Globalurkunde ist an einem Tag (der "Austauschtag"), der nicht später als 180 Tage nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt, gegen Schuldverschreibungen in der in dem vorstehenden Absatz (a) vorgesehenen Form auszutauschen.]

(ii) im Fall von TEFRA D Schuldverschreibungen

**[§ 1(3)(b) (WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN – vorläufige Globalurkunde – Austausch) ist wie folgt zu ersetzen:**

(b) Die vorläufige Globalurkunde wird an einem Tag (der "Austauschtag") gegen Schuldverschreibungen in der in dem vorstehenden Absatz (a) vorgesehenen Form ausgetauscht, der nicht weniger als 40 Tage nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegen. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U. S.-Personen sind (ausgenommen bestimmte

Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Die Bescheinigungen müssen den Anforderungen entsprechen, welche sich aus den diesbezüglichen jeweils anwendbaren Verordnungen des Finanzministeriums der Vereinigten Staaten ergeben. Zinszahlungen auf durch eine vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß Absatz (b) dieses § 1(3) auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten (wie in § 4 Absatz (3) definiert) zu liefern.]

**[§ 1(4) und (5) (WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN – *Clearing System/Gläubiger von Schuldverschreibungen*) ist wie folgt zu ersetzen:**

(4) *Clearing System*. "Clearing System" bedeutet **[bei mehr als einem Clearing System einfügen: jeweils]** folgendes: [Clearstream Banking AG] [Clearstream Banking, société anonyme] [Euroclear Bank S. A./N. V., als Betreiberin des Euroclear Systems ("Euroclear")], [und] **[anderes Clearing System angeben]**.

(5) *Gläubiger von Schuldverschreibungen*. "Gläubiger" bedeutet, in bezug auf die bei einem Clearing System oder einem sonstigen zentralen Wertpapierverwahrer hinterlegten Schuldverschreibungen, jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den hinterlegten Schuldverschreibungen und sonst, im Fall von Einzelurkunden, der Inhaber einer Einzelurkunde.

(6) *Bezugnahmen auf Schuldverschreibungen*: Bezugnahmen in diesen Emissionsbedingungen auf die "Schuldverschreibungen" schließen Bezugnahmen auf jede die Schuldverschreibungen verbiefende Globalurkunde und jede Einzelurkunde **[falls die Schuldverschreibungen mit Zinsscheinen, Talons und/oder Rückzahlungsscheinen begeben werden, einfügen: und die zugehörigen [Zinsscheine], [und] [Globalzinsscheine], [und] [Talons] [und Rückzahlungsscheine]]** ein, es sei denn, aus dem Zusammenhang ergibt sich etwas anderes.]

Im Fall von variabel  
verzinslichen  
Schuldverschreibungen

**[§ 3(1) (ZINSEN – *Zinszahlungstage*) Unterabsatz (d) ist wie folgt zu ersetzen:**

(d) In diesem § 3 bezeichnet "Geschäftstag" einen Tag, der ein Tag (außer einem Samstag oder Sonntag) ist, an dem (i) Geschäftsbanken und Devisenmärkte Zahlungen am jeweiligen Ort der Vorlage abwickeln und (ii) das Clearing System sowie (iii) **[falls die festgelegte Währung nicht Euro ist, einfügen: Geschäftsbanken und Devisenmärkte in [sämtliche relevanten Finanzzentren angeben]] [falls die festgelegte Währung Euro ist, einfügen: das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** Zahlungen abwickeln.]

Im Fall von festverzinslichen  
Schuldverschreibungen

**[§ 3(2) (ZINSEN – *Auflaufende Zinsen*) ist wie folgt zu ersetzen:**

(2) *Auflaufende Zinsen*. Der Zinslauf der Schuldverschreibungen endet an dem Tag, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung des ausstehenden Nennbetrags der Schuldverschreibungen vom Tag der Fälligkeit, bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen, spätestens jedoch mit Ablauf des vierzehnten Tages nach der Bekanntmachung durch die Emissionsstelle gemäß § [12], dass ihr die für die Rückzahlung der Schuldverschreibungen erforderlichen Mittel zur Verfügung gestellt worden sind in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich

festgelegten Satz für Verzugszinsen verzinst.]

Im Fall von variabel  
verzinslichen  
Schuldverschreibungen

**[§ 3(7)] (ZINSEN – *Auflaufende Zinsen*) ist wie folgt zu ersetzen:**

**[(7)] *Auflaufende Zinsen.*** Der Zinslauf der Schuldverschreibungen endet an dem Tag, an dem sie zur Rückzahlung fällig werden. Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, erfolgt die Verzinsung des ausstehenden Nennbetrags der Schuldverschreibungen vom Fälligkeitstag, bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen, spätestens jedoch mit Ablauf des vierzehnten Tages nach der Bekanntmachung durch die Emissionsstelle gemäß § [12], dass ihr die für die Rückzahlung der Schuldverschreibungen erforderlichen Mittel zur Verfügung gestellt worden sind. Der jeweils geltende Zinssatz ist der gesetzlich festgelegte Satz für Verzugszinsen, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst.]

Im Fall von Nullkupon-  
Schuldverschreibungen

**[§ 3(2)] (ZINSEN – *Auflaufende Zinsen*) ist wie folgt zu ersetzen:**

**(2) *Auflaufende Zinsen.*** Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, fallen auf den ausstehenden Nennbetrag der Schuldverschreibungen ab dem Fälligkeitstag bis zum Tag der tatsächlichen Rückzahlung Zinsen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen an, es sei denn, die Schuldverschreibungen werden mit einem höheren als dem gesetzlich festgelegten Satz für Verzugszinsen verzinst; die Verzinsung endet jedoch spätestens mit Ablauf des vierzehnten Tages nach Bekanntmachung durch die Emissionsstelle gemäß § [12], dass ihr die für die Rückzahlung der Schuldverschreibungen erforderlichen Mittel zur Verfügung gestellt worden sind.]

**[§ 4(1)(a)] (ZAHLUNGEN – *Zahlungen auf Kapital*) ist wie folgt zu ersetzen:**

**(1) [(a)] *Zahlungen auf Kapital.*** Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 gegen Vorlage und (außer im Fall von Teilzahlungen) Einreichung der entsprechenden Urkunde bei der bezeichneten Geschäftsstelle der Emissionsstelle außerhalb der Vereinigten Staaten oder bei der bezeichneten Geschäftsstelle einer anderen Zahlstelle außerhalb der Vereinigten Staaten.]

**[Im Fall von Raten-Schuldverschreibungen einfügen:** Die Zahlung von Raten auf eine Raten-Schuldverschreibung mit Rückzahlungsscheinen erfolgt gegen Vorlage der Schuldverschreibung zusammen mit dem betreffenden Rückzahlungsschein und Einreichung dieses Rückzahlungsscheins und, im Falle der letzten Ratenzahlung gegen Einreichung der Schuldverschreibung bei der bezeichneten Geschäftsstelle einer der Zahlstellen außerhalb der Vereinigten Staaten. Rückzahlungsscheine begründen keinen Titel. Rückzahlungsscheine, die ohne die dazugehörige Schuldverschreibung vorgelegt werden, begründen keine Verpflichtungen der Emittentin. Daher berechtigt die Vorlage einer Raten-Schuldverschreibung ohne den entsprechenden Rückzahlungsschein oder die Vorlage eines Rückzahlungsscheins ohne die dazugehörige Schuldverschreibung den Gläubiger nicht, die Zahlung einer Rate zu verlangen.]

Im Fall von  
Schuldverschreibungen, die  
keine Nullkupon-  
Schuldverschreibungen sind

**[§ 4(1)(b)] (ZAHLUNGEN – *Zahlung von Zinsen*) ist wie folgt zu ersetzen:**

**(b) *Zahlung von Zinsen.*** Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von Absatz 2 gegen Vorlage und Einreichung der entsprechenden Zinsscheine oder, im Fall von nicht mit Zinsscheinen ausgestatteten Schuldverschreibungen oder im Fall von Zinszahlungen, die nicht an einem für Zinszahlungen vorgesehenen Tag fällig werden, gegen Vorlage der entsprechenden Schuldverschreibungen bei der bezeichneten Geschäftsstelle

der Emissionsstelle außerhalb der Vereinigten Staaten oder bei der bezeichneten Geschäftsstelle einer anderen Zahlstelle außerhalb der Vereinigten Staaten. Die Zahlung von Zinsen erfolgt nur außerhalb der Vereinigten Staaten, außer im Falle von Zahlungen in U. S. Dollar bei denen die Zahlung des Gesamtbetrages illegal ist oder durch alle außerhalb der Vereinigten Staaten befindlichen Zahlstellen aufgrund der Einführung von Devisenkontrollen oder ähnlichen Beschränkungen wirksam ausgeschlossen ist.

**[Im Fall von TEFRA D Schuldverschreibungen einfügen:** Die Zahlung von Zinsen auf Schuldverschreibungen, die durch eine vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 (3)(b).]

Im Fall von Schuldverschreibungen, die mit Zinsscheinen, Talons und/oder Rückzahlungsscheinen begeben werden

**[als § 4(1)(c) (ZAHLUNGEN – Einreichung von [Zinsscheinen] [,] [und] [Talons] [und Rückzahlungsschemen]) ist einzufügen:**

(c) *Einreichung von [Zinsscheinen] [,] [und] [Talons] [und Rückzahlungsscheinen].* Jede Schuldverschreibung, die anfänglich mit beigefügten [Zinsscheinen] [oder] [Talons] [oder Rückzahlungsscheinen] ausgegeben wurde, ist bei Rückzahlung vorzulegen und, außer im Falle einer Teilzahlung des Rückzahlungsbetrages, zusammen mit allen dazugehörigen noch nicht fälligen [Zinsscheinen][,] [und] [Talons] [und Rückzahlungsscheinen] einzureichen; erfolgt dies nicht

**[Im Fall von festverzinslichen Schuldverschreibungen einfügen:** wird der Betrag der fehlenden noch nicht fälligen Zinsscheine (oder falls die Zahlung nicht vollständig erfolgt, der Anteil des Gesamtbetrages solcher fehlenden, nicht fälligen Zinsscheine, wie er dem Verhältnis zwischen dem tatsächlich gezahlten Betrag und der fälligen Summe entspricht) von dem ansonsten bei der Rückzahlung fälligen Betrag abgezogen[.] [und] [.]

**[Im Fall von variabel verzinslichen Schuldverschreibungen einfügen:** werden alle nicht fälligen zugehörigen Zinsscheine (gleich, ob sie zusammen mit diesen eingereicht werden oder nicht) ungültig, und es erfolgt ab diesem Zeitpunkt keine Zahlung mehr auf sie[.] [und] [.]

**[Im Fall von Schuldverschreibungen, die anfänglich mit Talons ausgegeben werden, einfügen:** werden sämtliche nicht fälligen Talons (gleich, ob sie zusammen mit diesen eingereicht werden oder nicht) ungültig und können nicht zu einem späteren Zeitpunkt gegen Zinsscheine ausgetauscht werden[.] [und] [.]

**[Im Fall von Schuldverschreibungen, die anfänglich mit Rückzahlungsscheinen ausgegeben werden, einfügen:** werden sämtliche zugehörigen Rückzahlungsscheine, die in bezug auf die Zahlung einer Rate, die (wäre sie nicht zur Rückzahlung fällig geworden) an einem Tag nach Rückzahlung fällig geworden wäre (gleich, ob sie mit dieser Schuldverschreibung eingereicht wurde oder nicht) ungültig, und bei Vorlage zu einem späteren Zeitpunkt erfolgt auf sie keine Zahlung.]

**[Im Fall von festverzinslichen Schuldverschreibungen, die anfänglich mit Zinsscheinen ausgegeben werden, einfügen:** Werden Schuldverschreibungen mit einer Fälligkeit und einem Zinssatz oder Zinssätzen begeben, die dazu führen würden, dass bei Vorlage zur Zahlung dieser Schuldverschreibungen ohne dazugehörige noch nicht fällige Zinsscheine der wie vorstehend dargelegt in Abzug zu bringende Betrag den ansonsten zu zahlenden Rückzahlungsbetrag übersteigt, so werden diese noch nicht fälligen Zinsscheine (gleich, ob sie beigefügt sind oder nicht) zum Zeitpunkt der Fälligkeit solcher Schuldverschreibungen ungültig (und es erfolgt auf sie keine Zahlung), insoweit



als dies erforderlich ist, damit der gemäß der vorstehenden Regelung in Abzug zu bringende Betrag den vorgesehenen Rückzahlungsbetrag nicht übersteigt. Sofern die Anwendung des letzten Satzes die Entwertung einiger, aber nicht sämtlicher noch nicht fälliger Zinsscheine einer Schuldverschreibung erfordert, bestimmt die betreffende Zahlstelle, welche nicht fälligen Zinsscheine ungültig werden sollen, wobei zu diesem Zwecke später fällige Zinsscheine vor früher fälligen Zinsscheinen für ungültig zu erklären sind.]

**[Im Fall von Schuldverschreibungen, die anfänglich mit Talons ausgegeben werden, einfügen:** Am oder nach dem Zinszahlungstag, an dem der letzte Zinsschein eines Zinsscheinbogens fällig wird, kann der im Zinsscheinbogen enthaltene Talon bei der bezeichneten Geschäftsstelle einer Zahlstelle im Austausch gegen einen weiteren Zinsscheinbogen (einschließlich ggf. eines weiteren Talons) eingereicht werden. Jeder Talon gilt für die Zwecke dieser Emissionsbedingungen als am Zinszahlungstag fällig, an dem der letzte im jeweiligen Zinsscheinbogen enthaltene Zinsschein fällig wird.]

**[§ 4(2) (ZAHLUNGEN – Zahlungsweise) ist wie folgt zu ersetzen:**

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen auf die Schuldverschreibungen zu leistende Zahlungen in **[festgelegte Währung einfügen]**

Im Fall von Zahlungen in einer anderen Währung als Euro oder US-Dollar einfügen:

[, und zwar durch in dieser Währung zahlbaren Scheck, ausgestellt auf eine Bank in dem Hauptfinanzzentrum des Landes der festgelegten Währung oder, nach Wahl des Zahlungsempfängers, durch Überweisung auf ein auf die festgelegte Währung lautendes Konto des Zahlungsempfängers, das dieser bei einer Bank in diesem Finanzzentrum unterhält.]

Im Fall von Zahlungen in Euro einfügen:

[, und zwar in bar oder durch in dieser Währung zahlbaren Scheck, ausgestellt auf eine Bank in einem Hauptfinanzzentrum eines Landes, das Teilnehmerstaat in der Europäischen Wirtschafts- und Währungsunion geworden ist, oder nach Wahl des Zahlungsempfängers, durch Überweisung auf ein auf diese Währung lautendes Konto, das der Zahlungsempfänger bei einer Bank in einem solchen Finanzzentrum unterhält.]

Im Fall von Zahlungen in US-Dollar einfügen:

[, und zwar durch in dieser Währung zahlbaren Scheck, ausgestellt auf eine Bank in New York City oder, nach Wahl des Zahlungsempfängers, durch Überweisung auf ein auf diese Währung lautendes Konto, das der Zahlungsempfänger bei einer Bank außerhalb der Vereinigten Staaten unterhält.]]

**[§ 4(3) (ZAHLUNGEN – Vereinigte Staaten) ist wie folgt zu ersetzen:**

(3) *Vereinigte Staaten.* Für die Zwecke des **[im Fall von TEFRA D Schuldverschreibungen einfügen: § 1 (3) und des] Absatzes 1 [im Fall von Zahlungen in US-Dollar einfügen: und des Absatzes 2] dieses § 4** bezeichnet "Vereinigte Staaten" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des Districts of Columbia) sowie deren Territorien (einschließlich Puerto Ricos, der U. S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).]

**[§ 4(4) (ZAHLUNGEN – Erfüllung) ist wie folgt zu ersetzen:**

(4) *Erfüllung.* Im Fall von Schuldverschreibungen, die über ein Clearing System gehalten werden, wird die Emittentin durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.]

**[§ 4(5) (ZAHLUNGEN – Zahltag) ist wie folgt zu ersetzen:**

(5) *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, der ein Tag (außer einem Samstag oder Sonntag) ist, an dem (i) Geschäftsbanken und Devisenmärkte Zahlungen am jeweiligen Ort der Vorlage abwickeln und (ii) das Clearing System sowie (iii) **[falls die festgelegte Währung nicht Euro ist, einfügen: Geschäftsbanken und Devisenmärkte in [sämtliche relevanten Finanzzentren angeben]] [falls die festgelegte Währung Euro ist und im Falle von variabel verzinslichen Schuldverschreibungen, einfügen: TARGET] [falls die festgelegte Währung Euro ist und im Falle von Schuldverschreibungen, die keine variabel verzinslichen Schuldverschreibungen sind, einfügen: das Trans-European Automated Real-time Gross Settlement Express Transfer System (TARGET)]** Zahlungen abwickeln.]

**[§ 5[(3)](b)(ii) (RÜCKZAHLUNG – Vorzeitige Rückzahlung nach Wahl der Emittentin) ist wie folgt zu ersetzen:**

(ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzten Fall den Gesamtnennbetrag und die Seriennummern der zurückzuzahlenden Schuldverschreibungen]

**[§ 5[(3)](c) (RÜCKZAHLUNG – Vorzeitige Rückzahlung nach Wahl der Emittentin) ist wie folgt zu ersetzen:**

(c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen durch Los oder auf eine andere Art und Weise ermittelt, die der Emissionsstelle nach ihrem Ermessen als angemessen und billig erscheint.]

**[§ 5[(4)](b) (RÜCKZAHLUNG – Vorzeitige Rückzahlung nach Wahl des Gläubigers) ist wie folgt zu ersetzen:**

(b) Um dieses Wahlrecht auszuüben, hat der Gläubiger nicht weniger als **[Mindestkündigungsfrist einfügen]** Tage und nicht mehr als **[Höchstkündigungsfrist einfügen]** Tage vor dem Wahl-Rückzahlungstag (Put), an dem die Rückzahlung gemäß der Ausübungserklärung (wie nachstehend definiert) erfolgen soll, bei der bezeichneten Geschäftsstelle der Emissionsstelle oder einer anderen Zahlstelle während der normalen Geschäftszeiten eine ordnungsgemäß ausgefüllte Mitteilung zur vorzeitigen Rückzahlung ("Ausübungserklärung"), wie sie von der bezeichneten Geschäftsstelle der Emissionsstelle oder einer jeden Zahlstelle erhältlich ist, zusammen mit der entsprechenden Schuldverschreibung zu hinterlegen. Die Ausübung des Wahlrechts kann nicht widerrufen und die so hinterlegte Schuldverschreibung kann nicht zurückgenommen werden.]

Außer im Fall von Pfandbriefen

**[ist nach § 7 (STEUERN) Absatz (d) einzufügen:**

(e) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können, oder

(f) nicht zahlbar wären, wenn die Schuldverschreibungen bei einer Bank oder einem vergleichbaren Institut verwahrt worden wären und die Bank oder das vergleichbare Institut die Zahlungen eingezogen hätte.]

**[§ 8 (VORLEGUNGSFRIST) ist wie folgt zu ersetzen:**

## § 8

### VORLEGUNGSFRIST, ERSETZUNG VON SCHULDVERSCHREIBUNGEN [FALLS DIE SCHULDVERSCHREIBUNGEN MIT ZINSSCHEINEN BEGEBEN WERDEN, EINFÜGEN: UND ZINSSCHEINEN]

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt. **[Falls die Schuldverschreibungen mit Zinsscheinen begeben werden, einfügen:** Die Vorlegungsfrist für Zinsscheine beträgt gemäß § 801 Absatz 2 BGB vier Jahre und beginnt mit dem Ablauf des Kalenderjahres, in dem der betreffende Zinsschein zur Zahlung fällig geworden ist.] Sollte eine Schuldverschreibung **[falls die Schuldverschreibungen mit Zinsscheinen begeben werden, einfügen:** oder ein Zinsschein] verloren gehen, gestohlen, beschädigt, unleserlich gemacht oder zerstört werden, so kann sie/er] bei der bezeichneten Geschäftsstelle der Emissionsstelle vorbehaltlich der betreffenden Börsenbestimmungen und aller anwendbaren Gesetze ersetzt werden; dabei hat der Anspruchsteller alle dabei möglicherweise entstehenden Kosten und Auslagen zu zahlen und alle angemessenen Bedingungen der Emittentin hinsichtlich des Nachweises, der Sicherheit, einer Freistellung und dergleichen zu erfüllen. Eine beschädigte oder unleserlich gemachte Schuldverschreibung **[falls die Schuldverschreibungen mit Zinsscheinen begeben werden, einfügen:** oder ein solcher Zinsschein] muss eingereicht werden, bevor eine Ersatzurkunde ausgegeben wird.]

Falls die  
Schuldverschreibungen mit  
Zinsscheinen begeben  
werden

**[§ [11](3) (BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG – *Entwertung*) ist wie folgt zu ersetzen:**

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zusammen mit allen nicht fälligen und zusammen mit den Schuldverschreibungen eingereichten oder den Schuldverschreibungen beigefügten Zinsscheinen zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.]

**[§ [12] (2) (MITTEILUNGEN – *Mitteilungen an das Clearing System*) ist zu streichen]**

**[§ [13] (4) (ANWENDBARES RECHT, ERFÜLLUNGORT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG – *Gerichtliche Geltendmachung*) ist wie folgt zu ersetzen:**

(4) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen, die über ein Clearing System gehalten werden, ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde oder der Einzelurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der vorläufigen Globalurkunde oder der Einzelurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "Depotbank" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das

berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.]

The Final Terms will be displayed on the website of Essen Hyp ([www.essenhyp.com](http://www.essenhyp.com)) and in case of Notes listed on the Luxembourg Stock Exchange on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

**FORM OF FINAL TERMS  
(MUSTER – ENDGÜLTIGE BEDINGUNGEN)**

[Date]  
[Datum]

Final Terms  
Endgültige Bedingungen

[Title of relevant Series of Notes]  
issued pursuant to the

*[Bezeichnung der betreffenden Serie der Schuldverschreibungen]  
begeben aufgrund des*

**Euro 30,000,000,000  
Essen Hyp Debt Issuance Programme**

dated 28 April 2006  
*datiert 28. April 2006*

of  
*der*

**Hypothekenbank in Essen Aktiengesellschaft**

Issue Price: [ ] per cent.  
*Ausgabepreis: [ ]%*

Issue Date: [ ]<sup>1</sup> *Tag der Begebung: [ ]<sup>1</sup>*

Series No: [ ]  
*Serien Nr.: [ ]*

These are the Final Terms of an issue of [Notes (which term, where applicable, shall include Pfandbriefe)][Participation Certificates] under the Euro 30,000,000,000 Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (the "Programme"). Full information on Hypothekenbank in Essen Aktiengesellschaft and the offer of the [Notes][Participation Certificates] is only available on the basis of the combination of the Debt Issuance Programme Prospectus pertaining to the Programme dated 28 April 2006 (the "**Prospectus**") and these Final Terms. The Prospectus and any supplement thereto is available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) and copies may be obtained from Hypothekenbank in Essen Aktiengesellschaft, Transaction Banking, Gildehofstrasse 1, D-45127 Essen, Federal Republic of Germany.

*Dies sind die Endgültigen Bedingungen einer Emission von [Schuldverschreibungen (dieser Begriff schließt an geeigneter Stelle Pfandbriefe ein)][Genussscheinen] unter dem Euro 30.000.000.000 Debt Issuance Programm der Hypothekenbank in Essen Aktiengesellschaft (das "Programm"). Vollständige Informationen über die Hypotheken Bank in Essen Aktiengesellschaft und das Angebot der Schuldverschreibungen sind nur verfügbar, wenn die Endgültigen Bedingungen und der Basisprospekt vom 28. April 2006 über das Programm (der "Prospekt") zusammengenommen werden. Der Prospekt sowie jeder Nachtrag können in elektronischer Form auf der Internetseite der Luxembourg Stock*

<sup>1</sup> The Issue Date is the date of payment and settlement of the Notes. In the case of free delivery, the Issue Date is the delivery date.  
*Der Valutierungstag ist der Tag, an dem die Schuldverschreibungen begeben und bezahlt werden. Bei freier Lieferung ist der Valutierungstag der Tag der Lieferung.*

Exchange ([www.bourse.lu](http://www.bourse.lu)) und der Internetseite der Hypothekenbank in Essen Aktiengesellschaft ([www.essenhyp.com/en/bonds\\_notes/securities\\_prospectus.php](http://www.essenhyp.com/en/bonds_notes/securities_prospectus.php)) eingesehen werden. Kopien sind erhältlich unter folgender Adresse: Hypothekenbank in Essen Aktiengesellschaft, Marktfolge Treasury, Gildehofstraße 1, D-45127 Essen, Bundesrepublik Deutschland.

**Part I. TERMS AND CONDITIONS**  
**Teil I. EMISSIONSBEDINGUNGEN**

**[In case of Long-Form Conditions, insert:**

**Im Fall von nicht Konsolidierten Bedingungen einfügen:**

This Part I of the Final Terms is to be read in conjunction with the Terms and Conditions of the [Notes] [Participation Certificates] (the "Terms and Conditions") set forth in the Prospectus. Capitalised terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered Articles and sections are to Articles and sections of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the [Notes][Participation Certificates] (the "Conditions").

*Dieser Teil I der Endgültigen Bedingungen ist in Verbindung mit den Emissionsbedingungen der [Schuldverschreibungen][Genussscheinen] (die "Emissionsbedingungen") zu lesen, die im Prospekt enthalten sind. Begriffe, die in den Emissionsbedingungen definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Emissionsbedingungen.*

*Sämtliche Bestimmungen der Emissionsbedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden, oder die gestrichen werden, gelten als in den auf die [Schuldverschreibungen][Genussscheine] anwendbaren Emissionsbedingungen (die "Bedingungen") gestrichen]*

**[In case of Integrated Conditions, insert:**

**Im Fall von Konsolidierten Bedingungen einfügen:**

The Conditions applicable to the [Notes][Participation Certificates] (the "Conditions") and the German or English language translation thereof, if any, are attached to these Final Terms. They replace in full the Terms and Conditions of the [Notes][Participation Certificates] as set out in the Prospectus and take precedence over any conflicting provisions in these Final Terms.

*Die für die [Schuldverschreibungen][Genussscheine] geltenden Bedingungen (die "Bedingungen") sowie eine etwaige deutsch- oder englischsprachige Übersetzung sind Endgültigen Bedingungen beigefügt. Die Bedingungen ersetzen in Gänze die im Prospekt abgedruckten Emissionsbedingungen der [Schuldverschreibungen][Genussscheine] und gehen etwaigen abweichenden Bestimmungen dieser Endgültigen Bedingungen vor.]*

**PART I. A. Notes other than Participation Certificates**  
**TEIL I. A. Schuldverschreibungen, die keine Genussscheine sind**

**Issuer**  
**Emittentin**

**Hypothesenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions<sup>2</sup>**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions<sup>3</sup>**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Currency, Denomination, Form, Certain Definitions (§ 1)**  
**Währung, Stückelung, Form, Definitionen (§ 1)**

**Currency and Denomination<sup>4</sup>**  
**Währung und Stückelung**

Specified Currency

[ ]

<sup>2</sup> To be determined in consultation with the Issuer. It is anticipated that Long-Form Conditions will generally be used for Notes sold on a non-syndicated basis and which are not publicly offered. Integrated Conditions will generally be used for Notes sold and distributed on a syndicated basis. Integrated Conditions will be required where the Notes are to be publicly offered, in whole or in part, or to be distributed, in whole or in part, to non-professional investors or when subordinated.

*Die Form der Bedingungen ist in Abstimmung mit der Emittentin festzulegen. Es ist vorgesehen, daß nicht-konsolidierte Bedingungen für Schuldverschreibungen verwendet werden, die auf nicht syndizierter Basis verkauft und die nicht öffentlich zum Verkauf angeboten werden. Konsolidierte Bedingungen werden in der Regel für Schuldverschreibungen verwendet, die auf syndizierter Basis verkauft und vertrieben werden. Konsolidierte Bedingungen sind erforderlich, wenn die Schuldverschreibungen insgesamt oder teilweise an nicht berufsmäßige oder gewerbliche Investoren verkauft oder öffentlich angeboten werden oder diese Schuldverschreibungen subordiniert sind.*

<sup>3</sup> To be determined in consultation with the Issuer. It is anticipated that, subject to any stock exchange or legal requirements applicable from time to time, and unless otherwise agreed, in the case of Notes sold and distributed on a syndicated basis, German will be the controlling language. In the case of Notes publicly offered, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-professional investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non-professional investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal office of Hypothesenbank in Essen Aktiengesellschaft.

*In Abstimmung mit der Emittentin festzulegen. Es wird erwartet, daß vorbehaltlich geltender Börsen oder anderer Bestimmungen und soweit nicht anders vereinbart, die deutsche Sprache für Schuldverschreibungen maßgeblich sein wird, die auf syndizierter Basis verkauft und vertrieben werden. Falls Schuldverschreibungen insgesamt oder teilweise öffentlich zum Verkauf in der Bundesrepublik Deutschland angeboten oder an nicht berufsmäßige oder gewerbliche Investoren in der Bundesrepublik Deutschland verkauft werden, wird die deutsche Sprache maßgeblich sein. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht berufsmäßige oder gewerbliche Investoren die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Hauptgeschäftsstelle der Hypothesenbank in Essen Aktiengesellschaft erhältlich sein.*

<sup>4</sup> The minimum denomination will be, if in euro, € 1,000, and, if in any currency other than euro, in an amount in such other currency equivalent to or exceeding the equivalent of € 1,000 at the time of the issue.

*Die Mindeststückelung beträgt € 1.000, bzw. falls die Emission in einer anderen Währung als Euro erfolgt, einem Betrag in dieser anderen Währung, der zur Zeit der Emission dem Gegenwert von € 1.000 entspricht oder diesen übersteigt.*

*Festgelegte Währung*

Aggregate Principal Amount  
*Gesamtnennbetrag*

[ ]

Specified Denomination(s)  
*Festgelegte Stückelung/Stückelungen*

[ ]

Number of Notes to be issued in each Specified Denomination  
*Anzahl der in jeder festgelegten Stückelung auszugebenden  
Schuldverschreibungen*

[ ]

Minimum Transfer Amount (specify)  
*Mindestnennbetrag für Übertragungen (angeben)*

[ ]

**Form**  
**Form**

**Notes**  
*Schuldverschreibungen*

**Pfandbriefe**

Mortgage Pfandbriefe  
*Hypothekenpfandbriefe*

Public-Sector Pfandbriefe  
*Öffentliche Pfandbriefe*

**New Global Note**  
*New Global Note*

**[Yes/No]**  
**[Ja/Nein]**

**TEFRA C**  
**TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Definitive Notes  
*Einzelurkunden*

**TEFRA D**  
**TEFRA D**

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

Permanent Global Note  
*Dauerglobalurkunde*

Definitive Notes  
*Einzelurkunden*

**Neither TEFRA D nor TEFRA C<sup>5</sup>**  
**Weder TEFRA D noch TEFRA C**

Permanent Global Note  
*Dauerglobalurkunde*

Temporary Global Note exchangeable for:  
*Vorläufige Globalurkunde austauschbar gegen:*

<sup>5</sup> Applicable only if Notes have a maturity of one year or less including any unilateral rollovers or extensions.  
*Nur anwendbar bei Schuldverschreibungen mit einer ursprünglichen Laufzeit von einem Jahr oder weniger einschließlich  
etwaiger einseitigen Verlängerungen.*



- Definitive Notes  
*Einzelkunden*

**Definitive Notes**  
***Einzelkunden***

[Yes/No]  
[Ja/Nein]

- Coupons  
*Zinsscheine*
- Talons  
*Talons*
- Receipts  
*Rückzahlungsscheine*

**Certain Definitions**  
***Definitionen***

Clearing System  
*Clearing System*

- Clearstream Banking AG  
Neue Börsenstraße 1  
D-60487 Frankfurt am Main
- Euroclear Bank S. A./N. V. (Euroclear Operator)  
1 Boulevard du Roi Albert II  
B-1210 Brussels
- Clearstream Banking, société anonyme  
42 Avenue JF Kennedy  
L-1855 Luxembourg
- The Depository Trust Company  
55 Water Street  
New York, NY 10041-0099  
USA
- Other (specify) [ ]  
*Sonstige (angeben)*

**STATUS (§ 2)<sup>6</sup>**  
***STATUS (§ 2)***

- Unsubordinated  
*Nicht-nachrangig*
- Subordinated  
*Nachrangig*

**INTEREST (§ 3)**  
***ZINSEN (§ 3)***

- Fixed Rate Notes  
***Festverzinsliche Schuldverschreibungen***  
**Rate of Interest and Interest Payment Dates**  
***Zinssatz und Zinszahlungstage***

Interest Commencement Date [ ]  
*Verzinsungsbeginn*

Rate of Interest [ ] per cent. per annum

<sup>6</sup> Not to be completed for Pfandbriefe.  
*Nicht auszufüllen für Pfandbriefe.*

Zinssatz	[ ]	% per annum
Fixed Interest Payment Date(s) <i>Feste(r) Zinszahlungstag(e)</i>	[ ]	in each year [ ] in jedem Jahr
First Interest Payment Date <i>Erster Zinszahlungstag</i>	[ ]	
Initial Broken Amount(s) (per specified denomination) <i>Anfängliche(r) Bruchteilzinsbetrag(-beträge)</i> <i>(für jede festgelegte Stückelung)</i>	[ ]	
Fixed Interest Date preceding the Maturity Date <i>Festzinstermi n, der dem Fälligkeitstag vorangeht</i>	[ ]	
Final Broken Amount(s) (per specified denomination) <i>Abschließende(r) Bruchteilzinsbetrag(-beträge)</i> <i>(für jede festgelegte Stückelung)</i>	[ ]	
<input type="checkbox"/> <b>Floating Rate Notes</b>		
<b>Variabel verzinsliche Schuldverschreibungen</b>		
<b>Interest Payment Dates</b>		
<b>Zinszahlungstage</b>		
Interest Commencement Date <i>Verzinsungsbeginn</i>	[ ]	
Specified Interest Payment Dates <i>Festgelegte Zinszahlungstage</i>	[ ]	
Specified Interest Period(s) <i>Festgelegte Zinsperiode(n)</i>	[ ]	[ ] [weeks/months/other – specify] [ ] [Wochen/Monate/andere – angeben]
<b>Business Day Convention</b>		
<b>Geschäftstagskonvention</b>		
<input type="checkbox"/> Modified Following Business Day Convention <i>Modifizierte Folgender Geschäftstag-Konvention</i>		
<input type="checkbox"/> FRN Convention (specify period(s)) <i>FRN Konvention (Zeitraum angeben)</i>	[ ]	[ ] [months/other specify] [ ] [Monate/andere angeben]
<input type="checkbox"/> Following Business Day Convention <i>Folgender Geschäftstag-Konvention</i>		
<input type="checkbox"/> Preceding Business Day Convention <i>Vorangegangener Geschäftstag-Konvention</i>		
<b>Relevant Financial Centres</b> <b>Relevante Finanzzentren</b>	[ ]	
<b>Rate of Interest</b>		
<b>Zinssatz</b>		
<input type="checkbox"/> Screen Rate Determination <i>Bildschirmfeststellung</i>		
<input type="checkbox"/> EURIBOR (Brussels time/TARGET Business Day/Interbank Market in the euro-zone) <i>EURIBOR (Brüsseler Ortszeit/TARGET Geschäftstag/ Interbanken-Markt in der Euro-Zone)</i>		
Screen page <i>Bildschirmseite</i>	[ ]	

- LIBOR (London time/London Business Day London Interbank Market)  
*LIBOR (Londoner Ortszeit/Londoner Geschäftstag/Londoner Interbanken-Markt)*
- Screen page [ ]  
*Bildschirmseite*
- Other (specify) [ ]  
*Sonstige (angeben)*
- Screen page [ ]  
*Bildschirmseite*
- Formula  
*Formel*  
(set forth details in full here or in an attachment)  
*(Einzelheiten hier oder in einer Anlage einfügen)*
- Reference Banks (if other than as specified in § 3(2)) (specify)  
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*
- ISDA Determination<sup>7</sup> [specify details]  
*ISDA-Feststellung* [Details einfügen]
- Other Method of Determination (insert details (including Margin, Interest Determination Date, Reference Banks, fall-back provisions)) [ ]  
*Andere Methoden der Bestimmung (Einzelheiten angeben (einschließlich Zinsfestlegungstag, Marge, Referenzbanken, Ausweichbestimmungen))*
- Margin** [ ] per cent. per annum  
**Marge** [ ] % per annum
- plus  
*plus*
- minus  
*minus*
- Interest Determination Date**  
**Zinsfestlegungstag**
- second Business Day prior to commencement of Interest Period  
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*
- first day of each Interest Period  
*erster Tag der jeweiligen Zinsperiode*
- other (specify) [ ]  
*sonstige (angeben)*
- Minimum and Maximum Rate of Interest**  
**Mindest- und Höchstzinssatz**
- Minimum Rate of Interest [ ] per cent. per annum  
*Mindestzinssatz* [ ] % per annum
- Maximum Rate of Interest [ ] per cent. per annum  
*Höchstzinssatz* [ ] % per annum

<sup>7</sup> ISDA Determination should only be applied in the case of Notes permanently represented by a Global Note because the ISDA Agreement and the ISDA Definitions have to be attached to the relevant Notes.  
*ISDA-Feststellung sollte nur dann gewählt werden, wenn die betreffenden Schuldverschreibungen durch eine Dauerglobalurkunde verbrieft werden, weil das ISDA-Agreement und die ISDA Definitionen den Schuldverschreibungen beizufügen sind.*

- Zero Coupon Notes**  
**Nullkupon-Schuldverschreibungen**

**Accrual of Interest**  
**Auflaufende Zinsen**

Amortisation Yield [ ]  
Emissionsrendite
- Dual Currency Notes** [ ]  
**Doppelwährungs-Schuldverschreibungen**

(set forth details in full here (including exchange rate(s) or basis for calculating exchange rate(s) to determine interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich Wechselkurs(e) oder Grundlage für die Berechnung des/der Wechselkurs(e) zur Bestimmung von Zinsbeträgen, eine Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen sowie Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*
- Instalment Notes** [ ]  
**Raten-Schuldverschreibungen**

(set forth details in full here)  
*(Einzelheiten einfügen)*
- Index-linked Notes** [ ]  
**Indexierte Schuldverschreibungen**

(set forth details in full here (including index/formula, basis for calculating interest, a description of any market disruption or settlement disruption events that affect the underlying and adjustment rules with relation to events concerning the underlying))  
*(Einzelheiten einfügen (einschließlich des Index/der Formel, der Grundlage für die Berechnung der Zinsbeträge sowie Beschreibung etwaiger Störungen des Marktes oder bei der Abrechnung, die den Basiswert beeinflussen und Korrekturvorschriften in Bezug auf Vorfälle, die den Basiswert beeinflussen))*
- Credit-linked Notes** [ ]  
**Credit-linked Notes**

(set forth details in full here (including basis for calculating interest and fall back provisions))  
*(Einzelheiten einfügen (einschließlich der Grundlagen für die Berechnung der Zinsbeträge sowie Ausweichbestimmungen))*
- other structured Notes** [ ]  
**andere strukturierte Schuldverschreibungen**

(set forth details in full here (including fall back provisions, if applicable and the relevant reference date is not available))  
*(Einzelheiten einfügen (einschließlich Ausweichbestimmungen, wenn anwendbar und der maßgebliche Referenzsatz nicht verfügbar ist))*

**Day Count Fraction<sup>8</sup>**

**Zinstagequotient**

- Actual/Actual (ICMA)
- Actual/Actual (ISDA) (Actual/365)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)
- Other  
*Anderer*

**PAYMENTS (§ 4)**

**ZAHLUNGEN (§ 4)**

**Payment Business Day**

**Zahlungstag**

Relevant Financial Centre(s) (specify all) [ ]  
*Relevante(s) Finanzzentren(um) (alle angeben)*

**REDEMPTION (§ 5)**

**RÜCKZAHLUNG (§ 5)**

**Final Redemption**

**Rückzahlung bei Endfälligkeit**

Notes other than Instalment, Dual Currency, Index-linked,  
Credit-linked or Structured Notes  
*Schuldverschreibungen außer Raten-, Doppelwährungs-,  
Indexierte-, Credit linked- oder Strukturierte-Schuldverschreibungen*

Maturity Date [ ]  
*Fälligkeitstag*

Redemption Month  
*Rückzahlungsmonat*

Final Redemption Amount  
*Rückzahlungsbetrag*

Principal amount  
*Nennbetrag*

Final Redemption Amount (per specified denomination) [ ]  
*Rückzahlungsbetrag (für jede festgelegte Stückelung)*

Instalment Notes  
*Raten-Schuldverschreibungen*

Instalment Date(s) [ ]  
*Ratenzahlungstermin (e)*

Instalment Amount(s) [ ]  
*Rate(n)*

**Early Redemption**

---

<sup>8</sup> Complete for all Notes.  
*Für alle Schuldverschreibungen auszufüllen.*

### **Vorzeitige Rückzahlung**

**Optional Redemption for Taxation Reasons** [Yes/No]  
**Option zur vorzeitigen Rückzahlung aus steuerlichen Gründen** [Ja/Nein]

**Early Redemption at the Option of the Issuer** [Yes/No]  
**Vorzeitige Rückzahlung nach Wahl der Emittentin** [Ja/Nein]

Minimum Redemption Amount [ ]  
*Mindestrückzahlungsbetrag*

Higher Redemption Amount [ ]  
*Höherer Rückzahlungsbetrag*

Call Redemption Date(s) [ ]  
*Wahlrückzahlungstag(e) (Call)*

Call Redemption Amount(s) [ ]  
*Wahlrückzahlungsbetrag/-beträge (Call)*

Minimum Notice to Holders [ ]  
*Mindestkündigungsfrist*

Maximum Notice to Holders [ ]  
*Höchstkündigungsfrist*

**Early Redemption at the Option of a Holder<sup>9</sup>** [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 to Issuer [ ] days  
*Mindestkündigungsfrist* [ ] Tage

Maximum Notice to Issuer (never more than 60 days) [ ] days  
*Höchstkündigungsfrist (nie mehr als 60 Tage)* [ ] Tage

**Early Redemption Amount<sup>10</sup>**  
**Vorzeitiger Rückzahlungsbetrag**

Zero Coupon Notes:  
*Nullkupon-Schuldverschreibungen:*

Reference Price [ ]  
*Referenzpreis*

**Redemption of Notes other than Zero Coupon, Fixed Rate,  
Floating Rate and Instalment Notes**  
**Rückzahlung von Schuldverschreibungen, die weder  
Nullkupon-, festverzinsliche, variabel verzinsliche noch  
Raten-Schuldverschreibungen sind**

**Dual Currency Notes** [ ]  
**Doppelwährungs-Schuldverschreibungen**  
(set forth details in full here (including exchange rate(s)  
or basis for calculating exchange rate(s) to determine  
principal/fall-back provisions))

<sup>9</sup> Not to be completed for Pfandbriefe.  
*Nicht auszufüllen für Pfandbriefe.*

<sup>10</sup> Not to be completed for Pfandbriefe.  
*Nicht auszufüllen für Pfandbriefe.*

(Einzelheiten einfügen (einschließlich Wechselkurs(e)  
oder Grundlage für die Berechnung des/der Wechselkurs(e)  
zur Bestimmung von Kapitalbeträgen/Ausweichbestimmungen))

- Index-linked Notes** [ ]  
**Indexierte Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)
- Credit-linked Notes** [ ]  
**Credit-linked Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)
- other structured Notes** [ ]  
**andere strukturierte Schuldverschreibungen**  
(set forth details in full here)  
(Einzelheiten einfügen)

**FISCAL AGENT[.,] [AND] PAYING AGENT[S]] [AND CALCULATION AGENT] (§ 6)**  
**EMISSIONSSTELLE[.,] [UND] ZAHLSTELLE[N]] [UND BERECHNUNGSSTELLE] (§ 6)**

Paying Agents  
Zahlstellen

- Fiscal Agent  
Emissionsstelle
- Additional Paying Agent(s)/specified office(s) [ ]  
Zahlstelle(n)/bezeichnete Geschäftsstelle(n)
- Calculation Agent  
Berechnungsstelle
- Yes  
Ja
- No  
Nein
- Required location (specify)  
Vorgeschriebenen Ort (angeben)

**NOTICES (§ [12])**  
**MITTEILUNGEN (§ [12])**

**Place and medium of publication**  
**Ort und Medium der Bekanntmachung**

Publication in printed form  
Bekanntmachung in gedruckter Form

- London (Financial Times)  
London (Financial Times)
- Luxembourg (d'Wort)  
Luxemburg (d'Wort)
- Germany (Börsen-Zeitung)  
Deutschland (Börsen-Zeitung)
- Other (specify)  
Sonstige (angeben)

Publication on the website of the stock exchange  
Bekanntmachung auf der Website der Börse

Stock Exchange  
*Börse*

[ ]

Internet Address  
*Internetadresse*

[ ]

**Governing law**  
***Anwendbares Recht***

**German Law**  
***Deutsches Recht***



**PART I. B. PARTICIPATION CERTIFICATES**  
**TEIL I. B. GENUSSSCHEINE**

**Issuer**  
**Emittentin**

**Hypothesenbank in Essen**  
**Aktiengesellschaft**

**Form of Conditions<sup>11</sup>**  
**Form der Bedingungen**

- Long-Form  
*Nicht-konsolidierte Bedingungen*
- Integrated  
*Konsolidierte Bedingungen*

**Language of Conditions<sup>12</sup>**  
**Sprache der Bedingungen**

- German only  
*ausschließlich Deutsch*
- English only  
*ausschließlich Englisch*
- English and German (English controlling)  
*Englisch und Deutsch (englischer Text maßgeblich)*
- German and English (German controlling)  
*Deutsch und Englisch (deutscher Text maßgeblich)*

**Issue, Principal Amount (§ 1)**  
**Begebung, Nennbetrag (§ 1)**

Aggregate Principal Amount  
*Gesamtnennbetrag*

[ ]

Date of general meeting  
*Datum der Hauptversammlung*

[ ]

Number of Participation Certificates  
*Anzahl der Stücke*

[ ]

<sup>11</sup> To be determined in consultation with the Issuer. It is anticipated that Long-Form Conditions will generally be used for Notes sold on a non-syndicated basis and which are not publicly offered. Integrated Conditions will generally be used for Notes sold and distributed on a syndicated basis. Integrated Conditions will be required where the Notes are to be publicly offered, in whole or in part, or to be distributed, in whole or in part, to non-professional investors or when subordinated.  
*Die Form der Bedingungen ist in Abstimmung mit der Emittentin festzulegen. Es ist vorgesehen, daß nicht-konsolidierte Bedingungen für Schuldverschreibungen verwendet werden, die auf nicht syndizierter Basis verkauft und die nicht öffentlich zum Verkauf angeboten werden. Konsolidierte Bedingungen werden in der Regel für Schuldverschreibungen verwendet, die auf syndizierter Basis verkauft und vertrieben werden. Konsolidierte Bedingungen sind erforderlich, wenn die Schuldverschreibungen insgesamt oder teilweise an nicht berufsmäßige oder gewerbliche Investoren verkauft oder öffentlich angeboten werden oder diese Schuldverschreibungen subordiniert sind.*

<sup>12</sup> To be determined in consultation with the Issuer. It is anticipated that, subject to any stock exchange or legal requirements applicable from time to time, and unless otherwise agreed, in the case of Participation Certificates sold and distributed on a syndicated basis, German will be the controlling language. In the case of Participation Certificates publicly offered, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-professional investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non-professional investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the principal office of Hypothesenbank in Essen Aktiengesellschaft.  
*In Abstimmung mit der Emittentin festzulegen. Es wird erwartet, daß vorbehaltlich geltender Börsen- oder anderer Bestimmungen und soweit nicht anders vereinbart, die deutsche Sprache für Genussscheine maßgeblich sein wird, die auf syndizierter Basis verkauft und vertrieben werden. Falls Genussscheine insgesamt oder teilweise öffentlich zum Verkauf in der Bundesrepublik Deutschland angeboten oder insgesamt oder teilweise an nicht berufsmäßige oder gewerbliche Investoren in der Bundesrepublik Deutschland verkauft werden, wird die deutsche Sprache maßgeblich sein. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht berufsmäßige oder gewerbliche Investoren die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Hauptniederlassung der Hypothesenbank in Essen Aktiengesellschaft erhältlich sein.*

Principal amount <i>Nennbetrag</i>	[ ]
<b>Distributions (§ 2)</b> <b>Ausschüttung (§ 2)</b>	
<input type="checkbox"/> Fixed Rate Participation Certificates <i>festverzinsliche Genussscheine</i>	
Rate of interest <i>Zinssatz</i>	[ ]
Interest Commencement Date <i>Verzinsungsbeginn</i>	[ ]
<input type="checkbox"/> Floating Rate Participation Certificates <i>variabel verzinsliche Genussscheine</i>	
Interest Commencement Date <i>Verzinsungsbeginn</i>	[ ]
Reference Dates <i>Referenztermine</i>	[ ]
Margin <i>Marge</i>	
Euribor Rate [three/six/nine/twelve month] <i>Euribor-Satz [drei/sechs/neun/zwölf Monate]</i>	
Screen Page <i>Bildschirmseite</i>	
Distribution Date(s) <i>Ausschüttungstag(e)</i>	[ ]
First Distribution Date <i>Erster Ausschüttungstag</i>	[ ]
<b>Term, Termination by the Issuer (§ 6)</b> <b>Laufzeit, Kündigung (§ 6)</b>	
End of term <i>Laufzeitende</i>	end of fiscal year [ ] <i>Ende Geschäftsjahr [ ]</i>
Repayment Date <i>Rückzahlungstag</i>	[ ]
<b>Interest Rate applicable to the Final Interest Period</b> <b>Zinssatz für die abschließende Zinsperiode</b>	
<input type="checkbox"/> Distribution rate <i>Ausschüttungszinssatz</i>	
<input type="checkbox"/> Other (specify) <i>Sonstige (angeben)</i>	[ ]
<b>Termination</b> <b>Kündigung</b>	
Call Date <i>Ankündigungstermin</i>	[ ]
Date of Termination <i>Kündigungstermin</i>	[ ]

**PART I. C.: GLOBAL PFANDBRIEFE**  
**TEIL I. C.: GLOBALPFANDBRIEFE**

**Issuer**  
**Emittentin**

**Hypothesenbank in Essen**  
**Aktiengesellschaft**

**General Provisions (§ 1)**  
**Allgemeine Bestimmungen (§ 1)**

- [Global] Mortgage Pfandbriefe  
     [Global] Hypothekendarlehen
- [Global] Public-Sector Pfandbriefe  
     [Global] Öffentliche Darlehen

Aggregate Principal Amount [ ]  
 Gesamtnennbetrag

Number of Notes [ ]  
 Anzahl der Stücke

Principal Amount [ ]  
 Nennbetrag

Number of Notes to be issued in the Principal Amount [ ]  
 Anzahl der im Nennbetragsauszugebenden  
 Schuldverschreibungen

Custodian for The Depository Trust Company  
 Verwahrer für The Depository Trust Company

- J. P. Morgan Trust Company, National Association
- Other (specify) [ ]  
     Anderer (angeben)

**Currency**  
**Währung**

- EUR
- USD

**Interest (§ 2)**  
**Zinsen (§ 2)**

Rate of interest [ ] per cent. per annum  
 Zinssatz [ ] % per annum

Interest Commencement Date [ ]  
 Verzinsungsbeginn

Fixed Interest Payment Date(s) [ ]  
 Festzinstermine [ ] in jedem Jahr

First Interest Payment Date [ ]  
 Erster Festzinsternin [ ] in each year

Initial Broken Amount [ ]  
 Anfänglicher Bruchteilzinsbetrag

Fixed Interest Date preceding the Maturity Date [ ]  
 Festzinsternin, der dem Fälligkeitstag vorangeht

Final Broken Amount [ ]  
 Abschließender Bruchteilzinsbetrag

**Day Count Fraction**

**Zinstagequotient**

- Actual/Actual (Actual/365)
- 30/360

**Repayment (§ 3)**  
**Rückzahlung (§ 3)**

Specified Maturity Date [ ]  
*Festgelegter Endfälligkeitstag*

**Payments (§ 4)**  
**Zahlungen (§ 4)**

Frankfurt Business Day  
*Frankfurter Geschäftstag*

- TARGET

**Registrar and Paying Agents (§ 8)**  
**Die Registrierungsstelle und die Zahlstellen (§ 8)**

Paying Agent  
*Zahlstelle*

- BNP Paribas Securities Services Luxembourg Branch
- Hypothekenbank in Essen AG
- J. P. Morgan Trust Company, National Association
- Other (specify) [ ]  
*Andere (angeben)*

**Notices (§ 9)**  
**Bekanntmachungen (§ 9)**

- d"Word

**PART II. OTHER INFORMATION**  
**TEIL II. ZUSÄTZLICHE INFORMATIONEN**

**[Specific Risk Factors<sup>13</sup>**  
**Spezielle Risikofaktoren]**

**Interest of natural and legal persons involved in the issue/offer**  
**Interessen von Seiten natürlicher und juristischer**  
**Personen, die an der Emission/dem Angebot beteiligt sind**

- Save as discussed in the Prospectus under "Interest of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

*Mit Ausnahme der im Prospekt im Abschnitt "Interest of Natural and Legal Persons involved in the Issue/Offer" angesprochenen Interessen bestehen bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin keine Interessen, die für das Angebot bedeutsam sind.*

- Other interest (specify)  
*Andere Interessen (angeben)*

**Reasons for the offer<sup>14</sup>**  
**Gründe für das Angebot**

**[specify details]**  
**[Einzelheiten einfügen]**

Estimated net proceeds<sup>15</sup>  
*Geschätzter Nettobetrag der Erträge*

[ ]

Estimated total expenses of the issue<sup>16</sup>  
*Geschätzte Gesamtkosten der Emission*

[ ]

<sup>13</sup> Include only product specific risk factors which are not covered under "Risk Factors" in the Prospectus.

<sup>14</sup> Nur produktbezogene Risikofaktoren aufnehmen, die nicht bereits im Abschnitt "Risk Factors" des Prospekts enthalten sind. Not required for Notes with a Specified Denomination of at least € 50,000 which are not derivative securities to which Annex XII of the Commission Regulation (EC) 809/2004 of 29 April 2004 (the "Commission Regulation") applies. See "Use of Proceeds" wording in the Prospectus. If reasons for the offer is different from making profit and/or hedging certain risks include those reasons here.

*Nicht erforderlich für Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 50.000, bei denen es sich nicht um derivative Wertpapiere handelt, auf die Anhang XII der EG-Verordnung 809/2004 vom 29. April 2004 (die "EG-Verordnung") Anwendung findet. Siehe "Use of Proceeds" im Prospekt. Sofern die Gründe für das Angebot nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken bestehen, sind die Gründe hier anzugeben*

<sup>15</sup> If the Notes are derivative securities (i. e. if the final redemption amount may be less than 100 per cent. of the principal amount of a Note) to which Annex XII of the Commission Regulation applies it is only necessary to include disclosure of estimated net proceeds where disclosure regarding reasons for the offer is included. If proceeds are intended for more than one use will need to split out and present in order of priority.

*Sofern es sich um derivative Wertpapiere (d. h. Wertpapiere, bei denen der Rückzahlungsbetrag geringer als 100 % des Nennbetrags sein kann) handelt, auf die Anhang XII der EG-Verordnung Anwendung findet, sind Angaben zu dem geschätzten Nettoerlös nur dann zu veröffentlichen, wenn Angaben in diesen Endgültigen Bedingungen zu den Gründen für das Angebot gemacht worden sind. Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, sind diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.*

<sup>16</sup> If the Notes are derivative securities to which Annex XII of the Commission Regulation applies, it is only necessary to include disclosure of total expenses where disclosure regarding reasons for the offer is included.

*Sofern es sich um derivative Wertpapiere handelt, auf die Anhang XII der EG-Verordnung Anwendung findet, sind Angaben zu den geschätzten Gesamtkosten nur dann zu veröffentlichen, wenn Angaben zu den Gründen für das Angebot gemacht worden sind.*

**Eurosystem eligibility<sup>17</sup>**  
**EZB-Fähigkeit**

Intended to be held in a manner which would allow  
Eurosystem eligibility [Yes/No]  
*Soll in EZB-fähiger Weise gehalten werden* [Ja/Nein]

**Securities Identification Numbers**  
**Wertpapier-Kenn-Nummern**

- Common Code [ ]  
*Common Code*
- ISIN Code [ ]  
*ISIN Code*
- German Securities Code [ ]  
*Wertpapier-Kenn-Nummer (WKN)*
- Any other securities number [ ]  
*Sonstige Wertpapier-Kenn-Nummer*

**Yield<sup>18</sup>**

**Rendite**

Yield [ ]  
*Rendite*

Method of calculating the yield<sup>19</sup>  
*Berechnungsmethode der Rendite*

- ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis  
*ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen*
- Other method (specify)  
*Andere Methode (angeben)*
- Historic Interest Rates<sup>20</sup>**  
**Zinssätze der Vergangenheit**

Details of historic [EURIBOR][LIBOR][OTHER] rates can be obtained from [insert relevant Screen Page]

*Einzelheiten der Entwicklung der [EURIBOR][LIBOR][ANDERE] Sätze in der Vergangenheit können abgerufen werden unter [relevante Bildschirmseite einfügen]*

- Details relating to the Performance of the [Index][Formula][other variable].<sup>21</sup>  
*Einzelheiten hinsichtlich der Entwicklung des [Index][der Formel][einer anderen Variablen]*

<sup>17</sup> Not to be completed prior to 1 July 2006. Thereafter, complete only if the Notes are to be kept in custody by a common safekeeper on behalf of the ICSDs. If "yes" is selected, the Notes must be issued in NGN form.

*Vor dem 1. Juli 2006 nicht auszufüllen. Danach nur auszufüllen, falls die Schuldverschreibungen von einem common safekeeper im Namen der ICSDs gehalten werden sollen. Falls "ja" gewählt wird, müssen die Schuldverschreibungen als NGN begeben werden.*

<sup>18</sup> Only applicable for Fixed Rate Notes.

*Nur für festverzinsliche Schuldverschreibungen anwendbar.*

<sup>19</sup> Not required for Notes with a Specified Denomination of at least € 50,000.

*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 50.000*

<sup>20</sup> Only applicable for Floating Rate Notes. Not required for Notes with a Specified Denomination of at least € 50,000.

*Nur bei variabel verzinslichen Schuldverschreibungen anwendbar. Nicht anwendbar auf Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 50.000.*

<sup>21</sup> Only applicable for Index-linked or other variable-linked Notes.

*Nur bei Index Linked und Variable gebundenen Schuldverschreibungen anwendbar.*

[specify details here (including where information relating to past and future performance and volatility of the index/formula/other variable can be obtained)]

*[Einzelheiten hier angeben (einschließlich, wo Informationen über die vergangene und künftige Weiterentwicklung sowie die Volatilität des Index/der Formel/einer anderen Variablen eingeholt werden können)]*

Name of index<sup>22</sup> [ ]  
*Bezeichnung des Index*

Description of index<sup>23</sup> / Details of where information about index can be obtained<sup>24</sup> [ ]  
*Indexbeschreibung / Angaben, wo Informationen zum Index zu finden sind*

Description of interest rate<sup>25</sup> [ ]  
*Beschreibung des Zinssatzes*

Other equivalent information regarding the underlying (including, in the case of a basket of underlyings, a disclosure of the relevant weightings of each underlying in the basket)<sup>26</sup> [ ]  
*Sonstige gleichwertigen Informationen bezüglich des Basiswertes (einschließlich, im Falle eines Korbs von Basiswerten, die Angabe der entsprechenden Gewichtungen jedes einzelnen Basiswertes im Korb)*

**Comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when risks are most evident<sup>27</sup>**  
***Umfassende Erläuterung darüber, wie der Wert der Anlage durch den Wert des Basiswertes beeinflusst wird, insb. in den Fällen, in denen die Risiken offensichtlich sind***

[insert details here]  
*[Einzelheiten hier einfügen]*

**Market disruption or settlement disruption events that may affect the underlying<sup>28</sup>**  
***Markt- oder Abwicklungsstörungen, die den Basiswert beeinflussen***

[insert details here]  
*[Einzelheiten hier einfügen]*

**Adjustment rules with relation to events concerning the underlying**  
***Anpassungsvorschriften in Bezug auf Ereignisse, die den Basiswert betreffen***

[insert details here]  
*[Einzelheiten hier einfügen]*

**Details relating to the Performance of Rate(s) of Exchange and Explanation of Effect on Value of Investment<sup>29</sup>**

<sup>22</sup> Only applicable for Notes where the underlying is an index.

*Nur bei Schuldverschreibungen anwendbar, bei denen es sich beim Basiswert um einen Index handelt.*

<sup>23</sup> Only applicable for Notes where the underlying is an index, and which is composed by the Issuer.

*Nur bei Schuldverschreibungen anwendbar, bei denen es sich beim Basiswert um einen Index handelt und sofern der Index von der Emittentin zusammengestellt wird.*

<sup>24</sup> Only applicable for Notes where the underlying is an index, in case the index is not composed by the Issuer.

*Nur bei Schuldverschreibungen anwendbar, bei denen es sich beim Basiswert um einen Index handelt, sofern der Index nicht von der Emittentin zusammengestellt wird.*

<sup>25</sup> Only applicable for Notes where the underlying is an interest rate.

*Nur bei Schuldverschreibungen anwendbar, bei denen es sich beim Basiswert um einen Zinssatz handelt.*

<sup>26</sup> Only applicable for Notes where the underlying is not an index.

*Nur bei Schuldverschreibungen anwendbar, bei denen es sich beim Basiswert nicht um einen Index handelt.*

<sup>27</sup> Not required for Notes with a Specified Denomination of at least € 50,000 or a minimum transfer amount of at least € 50,000.

*Nicht erforderlich bei Schuldverschreibungen anwendbar mit einer festgelegten Stückelung von mindestens € 50.000 oder Schuldverschreibungen, die lediglich für mindestens € 50.000 pro Wertpapier erworben werden können.*

<sup>28</sup> To be completed only if applicable.

*Nur falls anwendbar einzufügen.*

**Einzelheiten der Entwicklung des bzw. der Wechselkurse und Erläuterung der Auswirkungen auf den Wert der Anlage**

[specify details here]  
[Einzelheiten hier angeben]

**Selling Restrictions  
Verkaufsbeschränkungen**

- The Selling Restrictions set out in the Prospectus shall apply.  
*Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.*
- TEFRA C  
*TEFRA C*
- TEFRA D  
*TEFRA D*
- Neither TEFRA C nor TEFRA D<sup>30</sup>  
*Weder TEFRA C noch TEFRA D*
- Additional Selling Restrictions (specify) [ ]  
*Zusätzliche Verkaufsbeschränkungen (angeben)*

**Taxation  
Besteuerung**

Information on taxes on the income from the Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.<sup>31</sup>  
*Informationen über die an der Quelle einbehaltene Steuer auf Schuldverschreibungen hinsichtlich der Länder in denen das Angebot unterbreitet oder die Zulassung zum Handel beantragt wird.*

[none] [specify details]  
[keine] [Einzelheiten einfügen]

**Restrictions on the free transferability of the Notes  
Beschränkungen der freien Übertragbarkeit der Wertpapiere**

[none] [specify details]  
[keine] [Einzelheiten einfügen]

**TERMS AND CONDITIONS OF THE OFFER  
BEDINGUNGEN UND KONDITIONEN DES ANGBOTS**

Conditions, offer statistics, plan of distribution and allotment, pricing<sup>32</sup>  
*Bedingungen, Angebotstatistik, Vertriebs- und Zuteilungsplan, Preisfestsetzung*

Conditions to which the offer is subject<sup>33</sup>

<sup>29</sup> Only applicable for Dual Currency Notes. Need to include details of where past and future performance and volatility of the relevant rate(s) can be obtained. In case of Notes with a Specified Denomination of less than € 50,000 need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.

*Nur bei Doppelwährungs-Schuldverschreibungen anwendbar. Es sind Angaben darüber erforderlich, wo Informationen über die vergangene und künftige Wertentwicklung und Volatilität der maßgeblichen Wechselkurse eingeholt werden können. Bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger € 50.000 ist eine umfassende Erläuterung vorzunehmen, wie der Wert der Anlage durch den Wert des Basiswerts beeinflusst wird, insbesondere in Fällen, in denen die Risiken offensichtlich sind.*

<sup>30</sup> Applicable only if Notes have a maturity of one year including any unilateral rollovers or extensions or less.

*Nur für Schuldverschreibungen mit einer Laufzeit von einem Jahr oder weniger inklusive einseitiger Verlängerungen oder Erweiterungen.*

<sup>31</sup> Unless specified in the Prospectus. Only applicable for Notes with a Specified Denomination of less than € 50,000 per Notes.

*Soweit nicht bereits im Prospekt beschrieben. Nur bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 50.000 anwendbar.*

<sup>32</sup> Only applicable for Notes with a Specified Denomination of less than € 50,000 per Note.

*Nur für Schuldverschreibungen mit Stückelung von weniger als € 50.000 pro Stück anwendbar.*

<sup>33</sup> The following items only to be specified if applicable (in each case).

*Einzelheiten zu nachstehenden Unterpunkten nur einfügen, falls jeweils anwendbar.*



*Bedingungen, denen das Angebot unterliegt*

Time period, including any possible amendments, during which the offer will be open  
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Description of the application process  
*Beschreibung des Prozesses für die Umsetzung des Angebots*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants  
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest)  
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags)*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Method and time limits for paying up the notes and for delivery of the notes  
*Methode und Fristen für die Ratenzahlung der Wertpapiere und ihre Lieferung*

Manner and date in which results of the offer are to be made public  
*Art und Weise sowie Termin, auf die bzw. an dem die Ergebnisse des Angebots zu veröffentlichen sind*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.  
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Various categories of potential investors to which the notes are offered  
*Angabe der verschiedenen Kategorien der potentiellen Investoren, denen die Schuldverschreibungen angeboten werden*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made

*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

Expected price at which the notes will be offered / method of determining the price and the process for its disclosure and amount of any expenses and taxes specifically charged to the subscriber or purchaser.

*Kurs, zu dem die Schuldverschreibungen angeboten werden / Methode, mittels deren der Angebotskurs festgelegt wird und Angaben zum Verfahren für die Offenlegung sowie der Kosten und Steuern, die speziell dem Zeichner oder Käufer in Rechnung gestellt werden.*

Not applicable  
*Nicht anwendbar*

Specify Details [ ]  
*Einzelheiten einfügen*

**Placing and Underwriting<sup>34</sup>**  
***Platzierung und Übernahme***

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.<sup>35</sup>

*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Plazierern in den einzelnen Ländern des Angebots.]*

**Method of distribution**  
***Vertriebsmethode***

[insert details]  
[*Einzelheiten einfügen*]

Non-syndicated  
*Nicht syndiziert*

Syndicated  
*Syndiziert*

**Subscription Agreement<sup>36</sup>**  
***Übernahmevertrag***

Date of Subscription Agreement  
*Datum des Subscription Agreements*

General Features of the Subscription Agreement [ ]  
*Hauptmerkmale des Übernahmevertrags*

<sup>34</sup> Complete for all Notes.  
*Für alle Schuldverschreibungen ausfüllen.*

<sup>35</sup> Only applicable for Notes with a Specified Denomination of less than € 50,000 per Note.  
*Nur bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 50.000 anwendbar.*

<sup>36</sup> Required only if issued on a syndicated basis in the case of Notes with a Specified Denomination of less than € 50,000 or derivative securities.  
*Nur erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 50.000 sowie derivativen Wertpapieren, wenn es sich jeweils um syndizierte Ziehungen handelt.*

**Management Details including form of commitment<sup>37</sup>**

**Einzelheiten bezüglich des Bankenkonsortiums  
einschließlich der Art der Übernahme**

Dealer / Management Group (specify name and address) [ ]  
*Plazeur / Bankenkonsortium (Name und Adresse angeben)*

firm commitment  
*feste Zusage*

no firm commitment/best efforts arrangements  
*keine feste Zusage/zu den bestmöglichen Bedingungen*

**Commissions<sup>38</sup>**

**Provisionen**

Management/Underwriting Commission (specify) [ ]  
*Management- und Übernahmeprovision (angeben)*

Selling Concession (specify) [ ]  
*Verkaufsprovision (angeben)*

Listing Commission [ ]  
*Börsenzulassungprovision*

Other (specify) [ ]  
*Andere (angeben)*

**Stabilising Dealer(s)/Manager(s)** [insert details/None]  
**Kursstabilisierender Dealer/Manager** [Einzelheiten einfügen/keiner]

**Subscription Agreement<sup>39</sup>** [ ]  
**Übernahmevertrag**

– Date of subscription agreement [ ]  
*Datum des Übernahmevertrags*

– General features of the subscription agreement (including the quotas)  
*Angabe der Hauptmerkmale des Übernahmevertrags (einschließlich der Quoten)*

**Listing(s)** [Yes/No]  
**Börsenzulassung(en)** [Ja/Nein]

Luxembourg  
*Luxemburg*

Regulated Market

Euro MTF

Düsseldorf

Other (insert details) [ ]  
*Sonstige (Einzelheiten einfügen)*

**Date of admission<sup>40</sup>** [ ]  
**Datum der Zulassung**

**Estimate of the total expenses related to admission to trading<sup>41</sup>** [ ]

<sup>37</sup> Not required for Notes with a Specified Denomination of at least € 50,000.  
*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 50.000.*

<sup>38</sup> To be completed in consultation with the Issuer.  
*In Abstimmung mit der Emittentin auszufüllen.*

<sup>39</sup> Only applicable for Notes with a Specified Denomination of less than € 50,000 per Note.  
*Nur bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 50.000 pro Stück anwendbar.*

<sup>40</sup> To be completed only if known.  
*Nur auszufüllen, soweit bekannt.*

<sup>41</sup> Not required for Notes with a Specified Denomination of at least € 50,000.  
*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 50.000.*

## **Geschätzte Gesamtkosten für die Zulassung zum Handel**

All regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class (Series) of the Notes to be offered or admitted to trading are already admitted to trading<sup>42</sup>  
*Angabe sämtlicher geregelter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie (Serie), die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind*

Luxembourg  
*Luxemburg*

Düsseldorf

Other (insert details) [ ]  
*Andere (Einzelheiten einfügen)*

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment<sup>43</sup>

*Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung*

Not applicable [specify details]  
*Nicht anwendbar [Einzelheiten einfügen]*

Rating<sup>44</sup> [ ]  
**Rating**

Other relevant terms and conditions (specify) [ ]  
*Andere relevante Bestimmungen (einfügen)*

[Listing:<sup>45</sup>  
**[Börsenzulassung:**

The above Final Terms comprise the details required to list this issue of [Notes] [Pfandbriefe] pursuant to the € 30,000,000,000 Essen Hyp Debt Issuance Programme of Hypothekenbank in Essen Aktiengesellschaft (as from [insert Issue Date for the [Notes] [Pfandbriefe]]).

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Börsennotierung dieser Emission von [Schuldverschreibungen] [Pfandbriefen] unter dem € 30.000.000.000 Essen Hyp Debt Issuance Programme der Hypothekenbank in Essen Aktiengesellschaft (ab dem [Tag der Begebung der [Schuldverschreibungen] [Pfandbriefen] einfügen]) erforderlich sind.]*

<sup>42</sup> In case of a fungible issue, need to indicate that the original notes are already admitted to trading. Not required for Notes with a Specified Denomination of at least € 50,000.

*Im Falle einer Aufstockung, die mit einer vorangegangenen Emission fungibel ist, ist die Angabe erforderlich, daß die ursprünglichen Schuldverschreibungen bereits zum Handel zugelassen sind. Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 50.000.*

<sup>43</sup> Not required for Notes with a Specified Denomination of at least € 50,000.

*Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens € 50.000.*

<sup>44</sup> Do not complete, if the Notes are not rated on an individual basis. In case of Notes with a Specified Denomination of less than € 50,000, need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider.

*Nicht auszufüllen, wenn kein Einzelrating für die Schuldverschreibungen vorliegt. Bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als € 50.000, kurze Erläuterung der Bedeutung des Ratings wenn dieses vorher von der Ratingagentur erstellt wurde.*

<sup>45</sup> Include only in the version of the Final Terms which is submitted to the relevant stock exchange in the case of Notes to be listed on such stock exchange.

*Nur in derjenigen Fassung der Endgültigen Bedingungen einfügen, die der betreffenden Börse, bei der die Schuldverschreibungen zugelassen werden sollen, vorgelegt wird.*

**Responsibility**  
**Verantwortlichkeit**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the section "Responsibility Statement" on page 3 of the Prospectus, provided that, 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.

*Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen wie im Abschnitt "Responsibility Statement" auf Seite 3 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten weggelassen wurden, deren Fehlen die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.*

Hypothekenbank in Essen Aktiengesellschaft

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[Name & title of signatory]

[Name und Titel des Unterzeichnenden]

## USE OF PROCEEDS

The net proceeds from each issue of unsubordinated Notes will be applied by the Issuer for its general financing purposes. The net proceeds from each issue of subordinated Notes will be used by the Issuer to strengthen its respective capital base to support the continuing growth of its respective business. In the case of issues of public-sector Pfandbriefe, the Issuer expects to use the proceeds for refinancing of public-sector loans and assets constituting substitute cover for public-sector Pfandbriefe currently financed by other means. Proceeds will in any event be used in accordance with all applicable laws and regulations, notably the Pfandbrief Act (*Pfandbriefgesetz*).

## PFANDBRIEFE

The following is a description reduced to some of the more fundamental principles governing the law regarding Pfandbriefe and Pfandbrief Banks in summary form and without addressing all the laws' complexities and details. Accordingly, it is qualified in its entirety by reference to the applicable laws.

### Introduction

Up to 18 July 2005, Essen Hyp operated as a mortgage bank (*Hypothekenbank*) under the Mortgage Bank Act in the version as published on 9 September 1998, as amended (*Hypothekenbankgesetz*). Since 19 July 2005, the Pfandbrief operations of the Bank are subject to the Pfandbrief Act of 27 May 2005 (*Pfandbriefgesetz*) which has come into force on 19 July 2005.

As from such date, the legislation accompanying the Pfandbrief Act, *i. e.*, the Act on the Reorganization of the Law on Pfandbriefe (*Gesetz zur Neuordnung des Pfandbriefrechts*), has rescinded all existing special legislation regarding the Pfandbrief business in Germany, including, *inter alia*, (i) the Mortgage Bank Act applicable to the existing mortgage banks being specialist institutions authorized to issue Mortgage Pfandbriefe (*Hypothekenspfandbriefe*) covered by mortgage loans as well as Public Sector Pfandbriefe (*Öffentliche Pfandbriefe*) covered by obligations of public sector debtors (and, in either case, by certain other qualifying assets), (ii) the Act on Pfandbriefe and Related Bonds of Public-Law Credit Institutions (*Gesetz über die Pfandbriefe und verwandten Schuldverschreibungen öffentlich-rechtlicher Kreditanstalten*) in the version as published on 9 September 1998, as amended, applicable to various types of public sector banks, including in particular the *Landesbanken*, in respect of Mortgage Pfandbriefe and Public Sector Pfandbriefe issued by them, and (iii) finally, the Ship Banking Act (*Schiffsbankgesetz*), as last amended on 5 April 2004, governing the operations of ship mortgage banks issuing Ship Mortgage Pfandbriefe (*Schiffspfandbriefe*).

The Pfandbrief Act abolishes the concept of specialist Pfandbrief institutions hitherto prevailing in respect of the existing mortgage banks and ship mortgage banks. It establishes a new and uniform regulatory regime for all German credit institutions. Since 19 July 2005, all German credit institutions are permitted, subject to authorization and further requirements of the Pfandbrief Act, to engage in the Pfandbrief business and to issue Mortgage Pfandbriefe, Public Sector Pfandbriefe as well as Ship Mortgage Pfandbriefe, and, from such date onwards, existing mortgage banks and ship mortgage banks will be authorized to engage in most other types of banking transactions, eliminating the limitations in respect of the scope of their permitted business which existed in the past. The Act thus creates a level playing field for all German credit institutions, including the *Landesbanken*, operating as universal banks and engaged in the issuance of Pfandbriefe.

German credit institutions wishing to take up the Pfandbrief business must obtain special authorization under the Bank Act (*Kreditwesengesetz*) from the Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin"*) and, for that purpose, must meet some additional requirements as specified in the Pfandbrief Act.

Mortgage banks, such as Essen Hyp, and ship mortgage banks, operating as such up to 19 July 2005 as well as public sector banks (including the *Landesbanken*) carrying on the Pfandbrief business up to such date, are all grandfathered in respect of authorization for the particular type of Pfandbrief business in which they were engaged at such time. They are required, though, to give a comprehensive notice to the BaFin by 18 October 2005, failing which the BaFin may withdraw the authorization. Mortgage banks and ship mortgage banks are since 19 July 2005 also be authorized to engage in a broad spectrum of other banking transactions, including, *inter alia*, deposit taking, the extension of credits, the guarantee business, underwriting as well as others, up to then not permitted to be carried out by them, contrary to the *Landesbanken*, to which all types of banking transactions have always been open (subject to authorization).

The operations of all banks engaged in the issuance of Pfandbriefe are since 19 July 2005 regulated by the Pfandbrief Act and the Bank Act, and are subject to the prudential supervision of the BaFin. In particular, the BaFin will carry out audits of the assets forming part of any Cover Pool, regularly in bi-annual intervals.

In this summary, banks authorized to issue Pfandbriefe will generally be referred to as "Pfandbrief Banks" which is the term applied by the Pfandbrief Act.

## Rules applicable to all Types of Pfandbriefe

Pfandbriefe are standardized debt instruments issued by a Pfandbrief Bank. The quality and standards of Pfandbriefe are strictly governed by provisions of the Pfandbrief Act and subject to the prudential supervision of the BaFin. Pfandbriefe generally are medium- to long-term bonds, typically with an original maturity of two to ten years, which are secured or "covered" at all times by a pool of specified qualifying assets (*Deckung*), as described below. Pfandbriefe are recourse obligations of the issuing bank, and no separate vehicle is created for their issuance generally or for the issuance of any specific series of Pfandbriefe. Pfandbriefe may not be redeemed at the option of the holders prior to maturity.

As mentioned before, Pfandbriefe may either be mortgage Pfandbriefe, Public Sector Pfandbriefe or Ship Mortgage Pfandbriefe. The outstanding Pfandbriefe of any one of these types must be covered by a separate pool of specified qualifying assets: a pool for Mortgage Pfandbriefe only, a pool only for Public Sector Pfandbriefe, and a pool covering all outstanding Ship Mortgage Pfandbriefe (each a "**Cover Pool**"). An independent trustee appointed by the BaFin has wide responsibilities in monitoring the compliance by the Pfandbrief Bank with the provisions of the Pfandbrief Act. In particular, the trustee monitors the sufficiency of the cover assets and maintains a register listing the assets provided as cover from time to time in respect of the Pfandbriefe of any given type.

The aggregate principal amount of assets in these Cover-Pools must at all times at least be equal to the aggregate principal amount of the outstanding Pfandbriefe issued against such Cover-Pool. Moreover, the aggregate interest yield on any such Cover-Pool must at all times be at least equal to the aggregate interest payable on all Pfandbriefe relating to the Cover-Pool. In addition, the coverage of all outstanding Pfandbriefe with respect to principal and interest must also at all times be ensured on the basis of the present value (*Barwert*). Finally, the present value of the assets contained in the Cover-Pool must exceed the total amount of liabilities from the corresponding Pfandbriefe and derivatives by at least 2 per cent (*sichemde Überdeckung*).

Such 2 per cent excess cover must consist of highly liquid assets. Qualifying assets for the excess cover are (i) debt securities of the German government, a special fund of the German government, a German state, the European Communities, the states comprising the European Economic Area, Switzerland, the United States, Canada, Japan, any other European state with full OECD member status, the European Investment Bank, the IBRD-World Bank, the Council of Europe Development Bank, or the European Bank for Reconstruction and Development; (ii) debt securities guaranteed by any of the foregoing entities; and (iii) credit balances maintained with the European Central Bank, the central banks of the member states of the European Union and appropriate credit institutions.

The Pfandbrief Bank must record in the register of cover assets for any Pool of a given Pfandbrief type each asset and the liabilities arising from derivatives. Derivatives may be entered in such register only with the consent of the trustee and the counterparty.

The Pfandbrief Bank must command over an appropriate risk management system meeting the requirements specified in detail in the Pfandbrief Act and must comply with comprehensive disclosure requirements on a quarterly and annual basis set out in detail in the Pfandbrief Act.

### Cover Pool for Mortgage Pfandbriefe

The principal assets qualifying for the Cover Pool for Mortgage Pfandbriefe are loans secured by mortgages which may serve as cover up to the initial 60 per cent of the value of the property, as assessed by experts of the Pfandbrief Bank not taking part in the credit decision, in accordance with comprehensive evaluation rules designed to arrive at the fair market value of the property. Moreover, the mortgaged property must be adequately insured against relevant risks.

The property that may be encumbered by the mortgages must be situated in a state of the European Economic Area, Switzerland, the United States, Canada or Japan.

In addition, the Cover Pool for Mortgage Pfandbriefe may comprise a limited portion of other assets as follows: (i) equalization claims converted into bonds; (ii) subject to certain qualifications, those assets which may also be included in the 2 per cent excess cover described above up to a total sum of 10 per cent of the aggregate principal amount of outstanding Mortgage Pfandbriefe; (iii) the assets which may also be included in the Cover Pool for Public Sector Pfandbriefe referred to below, up to a total of 20 per cent of the aggregate principal amount of outstanding Mortgage Pfandbriefe, whereby the assets pursuant to (ii) above will be deducted, and, finally, (iv) claims arising under interest rate and currency



swaps as well as under other qualifying derivatives contracted under standardized master agreements with certain qualifying counterparties, provided that it is assured that the claims arising under such derivatives will not be prejudiced in the event of the insolvency of the Pfandbrief Bank or any other Cover Pool maintained by it. The amount of the claims of the Pfandbrief Bank arising under derivatives which are included in the Cover Pool measured against the total amount of all assets forming part of the Cover Pool as well as the amount of the liabilities of the Pfandbrief Bank arising from such derivatives measured against the aggregate principal amount of the outstanding Mortgage Pfandbriefe plus the liabilities arising from derivatives may in either case not exceed 12 per cent, calculated in each case on the basis of the net present values.

#### **Cover Pool for Public Sector Pfandbriefe**

The Cover Pool for Public Sector Pfandbriefe may comprise payment claims under loans, bonds or similar transactions of a wide spectrum of states and other public instrumentalities, including, but not limited to: (i) the German government as well as any German state, municipality or other qualifying public body in Germany; (ii) any state of the European Economic Area, Switzerland, the United States, Canada or Japan; (iii) any other European state with full OECD member status; (iv) the regional governments and local territorial authorities if certain solvability conditions are met; (v) non-profit administrative authorities controlled by the central or regional governments or local territorial authorities of the states comprising the European Economic Area, provided that certain solvability conditions are met; (vi) the European Investment Bank, the IBRD-World Bank, the Council of Europe Development Bank, or the European Bank for Reconstruction and Development; and, finally, (vii) any entity the obligations of which are guaranteed by a public entity referred to or mentioned in (i) through (iv) and (vi) above.

The Cover Pool may furthermore include the following assets: (i) equalization claims converted into bonds; (ii) credit balances maintained with the European Central Bank, a central bank of any EU member state or a suitable credit institution, up to a total sum of the aggregate principal amount of outstanding Public Sector Pfandbriefe; and (iii) claims arising under derivatives as mentioned above, subject to the conditions and restrictions described in such paragraph. The limitations which apply to Mortgage Pfandbriefe apply here as well.

#### **Cover Pool for Ship Mortgage Pfandbriefe**

The principal assets of the Cover Pool for Ship Mortgage Pfandbriefe are loans secured by ship mortgages. Any such mortgage may serve as cover up to an amount not exceeding 60 per cent of the fair market value of the ship. Furthermore, the ship must be adequately insured against relevant risks.

In addition, the Cover Pool for Ship Mortgage Pfandbriefe may include other assets of the kind which qualify for a Cover Pool of Mortgage Pfandbriefe (see above).

#### **Insolvency Proceedings**

In the event of the institution of insolvency proceedings over the assets of the Pfandbrief Bank, any Cover Pool maintained by it would not be part of the insolvency estate, and, therefore, such insolvency would not automatically result in an insolvency of any Cover Pool. Only if at the same time or thereafter the relevant Cover Pool were to become insolvent, separate insolvency proceedings would be initiated against such Cover Pool by the BaFin. In this case, holders of Pfandbriefe would have the first claim on the respective Cover Pool. Their preferential right would also extend to interest on the Pfandbriefe accrued after the commencement of insolvency proceedings. Furthermore, but only to the extent that holders of Pfandbriefe suffer a loss, holders would also have recourse to any assets of the Pfandbrief Bank not included in the Cover Pools. As regards those assets, holders of the Pfandbriefe would rank equal with other unsecured and unsubordinated creditors of the Pfandbrief Bank.

One or two administrators (*Sachwalter* – "**Administrator**") will be appointed in the case of the insolvency of the Pfandbrief Bank to administer each Cover Pool for the sole benefit of the holders of Pfandbriefe. The Administrator will be appointed by the court having jurisdiction at the location of the head office of the Pfandbrief Bank at the request of the BaFin before or after the institution of insolvency proceedings. The Administrator will be subject to the supervision of the court and also of the BaFin with respect to the duties of the Pfandbrief Bank arising in connection with the

administration of the assets included in the relevant Cover Pool. The Administrator will be entitled to dispose of the Cover Pool's assets and receive all payments on the relevant assets to ensure full satisfaction of the claims of the holders of Pfandbriefe. To the extent, however, that those assets are obviously not necessary to satisfy such claims, the insolvency receiver of the Pfandbrief Bank is entitled to demand the transfer of such assets to the insolvency estate.

Subject to the consent of the BaFin, the Administrator may transfer all or part of the cover assets and the liabilities arising from the Pfandbriefe issued against such assets to another Pfandbrief Bank.

#### **Pfandbriefe under the Mortgage Bank Act**

As mentioned at the beginning of the Introduction of this section on "Pfandbriefe", up to 18 July 2005 Essen Hyp's Pfandbrief business was governed by the Mortgage Bank Act under which the Bank issued Mortgage Pfandbriefe, on principles which were in many aspects comparable to a considerable extent to those applying under the Pfandbrief Act.

## TAXATION

The following is a general discussion of certain German and Luxembourg tax consequences of the acquisition and ownership of Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws (including tax treaties) currently in force and as applied on the date of this Prospectus, in the Federal Republic of Germany and the Grand-Duchy of Luxembourg, which are subject to change, possibly with retroactive or retrospective effect.

*PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS APPLICABLE IN THE FEDERAL REPUBLIC OF GERMANY, THE GRAND DUCHY OF LUXEMBOURG AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.*

### 1. Federal Republic of Germany

#### *Tax Residents*

Payments of interest on the Notes to persons who are tax residents of Germany (i. e., persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany) are subject to German personal or corporate income tax (plus solidarity surcharge (*Solidaritätszuschlag*)). Such interest may also be subject to trade tax if the Notes form part of the property of a German trade or business.

Upon the disposition of a Note carrying interest a holder of the Note will also have to include in his taxable income any consideration invoiced separately for such portion of the interest of the current interest payment period which is attributable to the period up to the disposition of the Note ("**Accrued Interest**"). Accrued Interest paid upon the acquisition of the Notes may be declared as negative income if the Note is held as a non-business asset.

If for the determination of the issue price of the Note the redemption amount is reduced by a discount or if the redemption amount is increased as compared with the issue price of the Note (as, for example, in the case of a discounted Note or a Note with accrued interest added), the difference between the redemption amount and the issue price of the Note ("**Original Issue Discount**") realized when a Note held as a non-business asset is redeemed to its initial subscriber will be taxable investment income, however, only if the Original Issue Discount exceeds certain thresholds; in such case, the Note qualifies as a financial innovation under German tax law.

If the Note qualifies as a financial innovation (*Finanzinnovation*) (including, among other things, zero coupon notes or other discounted Notes or Notes with accrued interest added as well as floating rate notes) and is disposed of while outstanding or redeemed at maturity, such portion of the proceeds from the disposition of the Note or of the redemption amount of the Note which equals the yield to maturity of the Note attributable to the period over which the holder has held such Note, minus interest, including Accrued Interest, already taken into account, will be subject to income tax (plus solidarity surcharge), provided the holder of the Note is an individual. The yield to maturity is determined by taking into account the Original Issue Discount. If the Notes do not have a predetermined yield to maturity (e. g. in the case of floating rate Notes) or the holder does not give proof thereof, the difference between the proceeds from the disposition, assignment or redemption and the issue or purchase price of the Note is subject to income tax (plus solidarity surcharge) in the year of the disposition, assignment, or redemption of the Note. Where the Note is issued in a currency other than euro, such difference will be computed in the foreign currency. Where a Note forms part of the property of a German trade or business, in each fiscal year the yield to maturity of the Note to the extent attributable to such period has to be taken into account as interest income by the initial subscriber of the Note and is subject to personal or corporate income tax (plus solidarity surcharge) and trade tax.

Capital gains from the disposition of Notes, other than income described in the preceding paragraph, are only taxable to a German tax-resident individual if the Notes are disposed of within one year after

their acquisition or form part of the property of a German trade or business. In the latter case the capital gains may also be subject to trade tax.

Capital gains derived by German-resident corporate holders of Notes will be subject to corporate income tax (plus solidarity surcharge) and trade tax, even if the Notes do not qualify as financial innovations.

If the Notes are held in a custodial account which the Holder maintains, with a German branch of a German or non-German bank or financial services institution (the "**Disbursing Agent**") a 30 % withholding tax on interest payments (*Zinsabschlag*), plus 5.5 % solidarity surcharge on such tax, will be levied, resulting in a total tax charge of 31.65 % of the gross interest payment. Withholding tax is also imposed on Accrued Interest. If the Notes qualify as financial innovations, as explained above, withholding tax at the aforementioned total rate will also be withheld from the difference between the proceeds from the disposition, assignment or redemption and the issue or purchase price of the Notes if the Note has been kept in a custodial account with such Disbursing Agent since the time of issuance or acquisition, respectively. If the Notes have been transferred into the custodial account of the Disbursing Agent only after such point in time, withholding tax at the aforementioned rate will be levied on a lump-sum basis on 30 % of the proceeds from the disposition, assignment or redemption of the Notes. Where the Note is issued in a currency other than euro, the aforementioned difference will be computed in the foreign currency.

In computing the tax to be withheld the Disbursing Agent may deduct from the basis of the withholding tax any Accrued Interest paid by the holder of a Note to the Disbursing Agent during the same calendar year. In general, no withholding tax will be levied if the holder of a Note is an individual (i) whose Note does not form part of the property of a German trade or business nor gives rise to income from the letting and leasing of property, and (ii) who filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent but only to the extent the interest income derived from the Note together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the holder of the Note has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the relevant local tax office.

Withholding tax and the solidarity surcharge thereon are credited as prepayments against the German personal or corporate income tax and the solidarity surcharge liability of the German resident. Amounts overwithheld will entitle the Holder to a refund, based on an assessment to tax.

#### *Nonresidents*

Interest, including Accrued Interest and (in the case of financial innovations) Original Issue Discount, and capital gains are not subject to German taxation, unless (i) the Notes form part of the business property of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the holder of a Note or (ii) the interest income otherwise constitutes German source income (such as income from the letting and leasing of certain German-situs property). If the nonresident of Germany is subject to German taxation with income from the Notes, a tax regime similar to that explained above at "Tax Residents" applies; capital gains from the disposition of Notes are, however, only taxable in the case of (i).

Nonresidents of Germany are, in general, exempt from German withholding tax on interest and the solidarity surcharge thereon. However, where the interest is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent, withholding tax is levied as explained above at "Tax Residents".

#### *Inheritance and Gift Tax*

No inheritance or gift taxes with respect to any Note will arise under the laws of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of Germany and such Note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German citizens who previously maintained a residence in Germany.

### *Other Taxes*

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax is not levied in Germany.

## **2. Grand Duchy of Luxembourg**

### *Non-Residents*

Under the existing laws of Luxembourg and except as provided for by the Luxembourg law of 20 June 2005 implementing the EU Savings Tax Directive (as defined below), there is no withholding tax on the payment of interest on, or reimbursement of principal of, the Notes made to non-residents of Luxembourg.

Under the Luxembourg law of 20 June 2005 implementing the EU Savings Tax Directive and as a result of ratification by Luxembourg of certain related Accords with the relevant dependent and associated territories, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual or certain residual entities as defined by the law, who, as a result of an identification procedure implemented by the paying agent, are identified as residents or are deemed to be residents of an EU Member State other than Luxembourg or certain of those dependent or associated territories referred to under "EU Savings Tax Directive" below, will be subject to a withholding tax unless the relevant beneficiary has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her country of residence or deemed residence or has provided a tax certificate from his/her fiscal authority in the format required by law to the relevant paying agent. Where withholding tax is applied, it will be levied at a rate of 15 % during the first three-year period starting 1 July 2005, at a rate of 20 % for the subsequent three-year period and at a rate of 35 % thereafter.

When used in the preceding paragraph "interest" and "paying agent" have the meaning given thereto in the Luxembourg law of 20 June 2005 (or the relevant Accords). "Interest" will include accrued or capitalised interest at the sale, repayment or redemption of the Notes. "Paying agent" is defined broadly for this purpose and in the context of the Notes means any economic operator established in Luxembourg who pays interest on the Notes to or ascribes the payment of such interest to or for the immediate benefit of the beneficial owner, whether the operator is, or acts on behalf of, the Issuer or is instructed by the beneficial owner to collect such payment of interest.

Payments of interest or similar income under the Notes to CBF, CBL and Euroclear and payments by or on behalf of Clearstream Banking, société anonyme, Luxembourg, to financial intermediaries will not give rise to a withholding tax under Luxembourg law.

### *Residents*

Interest on Notes paid by a Luxembourg paying agent to an individual holder who is a resident of Luxembourg will be subject to a withholding tax of 10% which will operate a full discharge of income tax due on such payments.

Interest on Notes paid by a Luxembourg paying agent to residents of Luxembourg which are not individuals will not be subject to any withholding tax.

## **3. EU Savings Tax Directive**

On 3 June 2003 the Council of the European Union approved a directive on the taxation of savings income in the form of interest payments (the "EU Savings Tax Directive"). Accordingly, each EU Member State must require paying agents (within the meaning of such directive) established within its territory to provide to the competent authority of this state details of the payment of interest made to any individual resident in another EU Member State as the beneficial owner of the interest. The competent authority of the EU Member State of the paying agent (within the meaning of the EU Savings Tax Directive) is then required to communicate this information to the competent authority of the EU Member State of which the beneficial owner of the interest is a resident.

For a transitional period, Austria, Belgium and Luxembourg may opt instead to withhold tax from interest payments within the meaning of the EU Savings Tax Directive at a rate of 15 % for the first three years from application of such provisions of the directive, of 20 % for the subsequent three years, and of 35 % from the seventh year after application of the provisions of such directive.

In conformity with the prerequisites for the application of the EU Savings Tax Directive, Switzerland, Liechtenstein, San Marino, Monaco and Andorra have confirmed that from 1 July 2005, they will apply measures equivalent to those contained in such directive, in accordance with agreements entered into by them with the European Community. It has also been confirmed that certain dependent or associated territories (the Channel Islands, the Isle of Man and certain dependent or associated territories in the Caribbean) will apply from that same date an automatic exchange of information or, during the transitional period described above, a withholding tax in the described manner. Consequently, the Council of the European Union noted that the conditions have been met to enable the provisions of the EU Savings Tax Directive to enter into force as from 1 July 2005.

By legislative regulations dated 26 January 2004 the German Federal Government enacted the provisions for implementing the EU Savings Tax Directive into German law. These provisions apply as from 1 July 2005.

Holders who are individuals should note that the Issuer will not pay additional amounts under § 7(c) of the Terms and Conditions of the Notes in respect of any withholding tax imposed as a result of the EU Savings Tax Directive.

## SELLING RESTRICTIONS

The Dealers have in an amended and restated dealer agreement (the "**Dealer Agreement**") dated 28 April 2006 agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "**Terms and Conditions**" of the Notes above.

### 1. General

Each Dealer has represented and agreed that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Prospectus 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 the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers has represented that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional or different restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

### 2. European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) in the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Relevant Member State in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than € 43,000,000 and (3) an annual turnover of more than € 50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

### 3. United Kingdom of Great Britain and Northern Ireland ("United Kingdom")

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to Notes which have a maturity of less than one year (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their business or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their business where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, as amended ("FSMA") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### 4. United States of America

- (a) Each Dealer has acknowledged that the Notes have not been and will not be registered under the Securities Act, and, except as provided in the applicable Final Terms with respect to Notes with a maturity on the Issue Date of one year or less, 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 under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.
- (b) Each Dealer has represented and agreed that it has not offered and sold any Notes, and will not offer and sell any Notes constituting part of its allotment within the United States or to, or for the account or benefit of a U. S. person, except in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act. Accordingly, each Dealer further has represented and agreed that neither it, 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, it and they have complied and will comply with the offering restrictions requirements of Regulation S, and it and they will not offer or sell the Notes in the United States by any form of general solicitation or general advertising within the meaning of Regulation D under the Securities Act or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act.
- (c) Each Dealer who has purchased Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Fiscal Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Fiscal Agent has agreed to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer 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 Securities covered hereby have not been registered under the U. S. Securities Act of 1933 (the "**Securities Act**") and no Dealer (or persons covered by Rule 903 (c)(2)(iv)) may offer or sell any Notes constituting part of its allotment within the United States or to, or for the account or benefit of, U. S. persons except in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Terms used in the above paragraph have the meanings given to them by Regulation S.



Each Dealer has represented and agreed 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 Issuer.

- (d) Notes, other than Notes with a maturity of one year or less including unilateral rollovers or extensions and Pfandbriefe issued in the form of Global Pfandbriefe, will be issued in accordance with the provisions of United States Treasury Regulations Section 1.163-5(c)(2)(i)(D) (the "**D Rules**"), or in accordance with the provisions of United States Treasury Regulations Section 1.163-5(c)(2)(i)(C) (the "**C Rules**"), as specified in the applicable Final Terms.

In addition, in respect of Notes issued in accordance with the D Rules, each Dealer has represented and agreed 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, 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 has represented that it is acquiring the Notes for purposes of resale in connection with their original issuance and if such Dealer retains Notes for its own account, it will only do so in accordance with the requirements of United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(6);
- (iv) with respect to each affiliate that acquires from such Dealer Notes in bearer form for the purposes of offering or selling such Notes during the restricted period, such Dealer either (x) repeats and confirms the agreements contained in sub-clauses (i), (ii) and (iii) on such affiliate's behalf or (y) agrees that it will obtain from such affiliate for the benefit of the Issuer the agreements contained in sub-clauses (i), (ii) and (iii) and
- (v) Such Dealer will obtain for the benefit of the Issuer the representations and agreements contained in sub-clauses (i), (ii), (iii) and (iv) from any person other than its affiliate with whom it enters into a written contract, as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(4), for the offer and sale during the restricted period of Notes.

Terms used in the above paragraph have the meanings given to them by the U. S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including the D Rules.

In addition, in respect of Notes issued in accordance with the C Rules, Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer has represented and agreed that it 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 and agreed 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 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 of 1986, as amended, and regulations thereunder, including the C Rules.

- (e) Each issue of index-, commodity- or currency-linked Notes shall be subject to such additional U. S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the Final Terms. Each Dealer has agreed that it shall offer, sell and deliver such Notes only in compliance with such additional U. S. selling restrictions.

## 5. Switzerland

Each Dealer has agreed that it has only offered or sold and will only offer or sell Notes in Switzerland in compliance with all applicable laws and regulations in force in Switzerland, and will, to the extent necessary, obtain any consent, approval or permission required, if any, for the offer or sale by it of Notes under the laws and regulations in force in Switzerland. Only the Prospectus (as amended or supplemented) and any other information incorporated therein by reference and required to ensure compliance with the Swiss Code of Obligations and all other applicable laws and regulations of Switzerland (in particular, additional and updated corporate and financial information that shall be provided by the Issuer) may be used in the context of a public offer in or into Switzerland. Each Dealer has agreed that all of such documents and information shall be furnished to any potential purchaser in Switzerland upon request in such manner and at such times as shall be required by the Swiss Code of Obligations and all other applicable laws and regulations of Switzerland.

## 6. Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (Law No. 25 of 1948) (as amended) (the "**Securities and Exchange Law**") and are subject to the Special Taxation Measures Law of Japan (Law No. 26 of 1957) (as amended) (the "**Special Taxation Measures Law**"). Each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell Notes in Japan or to any person resident in Japan for Japanese securities law purposes (including any corporation or other entity organized under the laws of Japan), except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law.

## GENERAL INFORMATION

Application has been made to the Commission, which is the Luxembourg competent authority for the purpose of the Prospectus Directive for its approval of this Prospectus.

### 1. Listing and Admission to Trading

Application has been made to the Luxembourg Stock Exchange for Notes (including Pfandbriefe) issued under this Prospectus to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Luxembourg Stock Exchange.

However, Notes may be issued pursuant to the Programme which will not be listed on the Luxembourg Stock Exchange or any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

For listing purposes, the Luxembourg Stock Exchange has allocated

- number **12073** to the base prospectus of Essen Hyp allowing Essen Hyp to issue non-equity securities,
- number **13189** to the base prospectus of Essen Hyp allowing Essen Hyp to issue Pfandbriefe.

The above-mentioned documents are available for inspection at the head office of the Paying Agent in Luxembourg, BNP Paribas Securities Services, Luxembourg Branch 23, Avenue de la Porte Neuve, L-2085 Luxembourg.

#### *Undertaking*

The Issuer has undertaken to publish a supplement to this Prospectus or to publish a new Prospectus if and when the information herein should become materially inaccurate or incomplete or in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Notes and, where approval by the Commission of any such document is required, upon such approval having been given, all of which will be for use in connection with any subsequent offering of Notes to be listed on the Luxembourg Stock Exchange.

If the Terms and Conditions of the Notes (as set out in the Prospectus) are modified or amended in a manner which would make the Prospectus, as supplemented, inaccurate or misleading, a new Prospectus will be prepared to the extent required by law.

The Issuer will, at the specified offices of the Paying Agents, provide, free of charge, upon the oral or written request therefor, a copy of the Prospectus (or any document incorporated by reference in the Prospectus). Written or oral requests for such documents should be directed to the specified office of any Paying Agent or the specified office of the Listing Agent in Luxembourg.

As long as any Notes are outstanding and listed on the Luxembourg Stock Exchange, information will be communicated to the Holders of the Notes in accordance with Luxembourg Stock Exchange regulations and recommendations.

### 2. Post-Issuance Information

The Issuer will not provide post-issuance information with regard to derivative securities within the meaning of Annex XII of the Commission Regulation (EC) No. 809/2004 of 29 April 2004.

### 3. Paying Agent

As long as the Notes are listed on the Luxembourg Stock Exchange, a Paying Agent will be maintained in Luxembourg.

#### **4. Authorisations**

The establishment of the Programme and the issue of each series of Notes under the Programme was duly authorised by the Board of Managing Directors of Essen Hyp on 4 May 1998. The increase of the Programme Amount from € 10,000,000,000 to € 15,000,000,000 was duly authorised by the Board of Managing Directors of Essen Hyp on 7 August 2001. The increase of the Programme Amount from € 15,000,000,000 to € 20,000,000,000 was duly authorised by the Board of Managing Directors of Essen Hyp on 28 June 2002. The increase of the Programme Amount from € 20,000,000,000 to € 30,000,000,000 was duly authorised by the Board of Managing Directors of Essen Hyp on 21 March 2006.

#### **5. Documents on Display**

For the life of the Programme copies of the Articles of Association of the Issuer as well as of the Annual Reports for the financial years ended 31 December 2004 and 2005 are available for inspection at the address of the head office of the Issuer and at the office of the Paying Agent in Luxembourg at the address set out on the last page of this Prospectus. In addition, Annual Reports are also available on the website [www.essenhyp.com/en/financial\\_reports/index.php](http://www.essenhyp.com/en/financial_reports/index.php)

## DOCUMENTS INCORPORATED BY REFERENCE

### Documents incorporated by Reference

The following documents are incorporated by reference into this Prospectus:

1. The Annual Report of Essen Hyp for the financial year ended 31 December 2005.
2. The Annual Report of Essen Hyp for the financial year ended 31 December 2004.
3. The Cash Flow Statement of Essen Hyp for the financial year ended 31 December 2004.

### Comparative Table of Documents incorporated by Reference

Page	Section	Pages of document incorporated by reference
33	Hypotheekbank in Essen, Historical Financial Information	<p>Annual Report 2004 of Essen Hyp</p> <p>Management Report (p. 18 – p. 51 and p. 58 – p.83)</p> <p><i>Annual Accounts</i></p> <p>Balance Sheet, (p. 86 – p. 87)</p> <p>Profit and Loss Account, (p. 88)</p> <p>Notes, (p. 89 – p. 104)</p> <p>Auditors' Report (p. 105)</p> <p>Cash Flow Statement 2004 (whole document)</p> <p>Annual Report 2005 of Essen Hyp</p> <p>Management Report (p. 38 – p. 97) incl. Cash Flow Statement (p. 68 – p. 69)</p> <p><i>Annual Accounts</i></p> <p>Balance Sheet, (p. 100 – p. 101)</p> <p>Profit and Loss Account, (p. 102)</p> <p>Notes, (p. 103 – p. 122)</p> <p>Auditors' Report, (p. 123)</p>

Any information not listed in the above mentioned comparative table of documents incorporated by reference, but included in the documents incorporated by reference is given for information purposes only.

### Availability of Incorporated Documents

Any document incorporated herein by reference will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and will be available for inspection, at the specified offices of the head office of the Paying Agent in the city of Luxembourg and may be obtained via internet at [www.essenhyp.com/en/financial\\_reports/index.php](http://www.essenhyp.com/en/financial_reports/index.php) during normal business hours.

**Issuer**

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D-45127 Essen

**Arrangers**

**Commerzbank Aktiengesellschaft**

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**Merrill Lynch International**

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**Dealers**

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**Barclays Bank PLC**

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**Calyon**

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**Citigroup Global Markets Limited**

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**Commerzbank Aktiengesellschaft**

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**Deutsche Bank Aktiengesellschaft**

Große Gallusstrasse 10-14  
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**DZ BANK AG**

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**HSBC Bank plc**

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**Goldman Sachs International**

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**Merrill Lynch International**

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**Lehman Brothers International (Europe)**

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**Société Générale**

29 boulevard Haussmann  
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**Morgan Stanley & Co. International Limited**

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**UBS Limited**

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**Fiscal Agent, Registrar and Luxembourg Paying Agent**

**BNP Paribas Securities Services, Luxembourg Branch**

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**Listing Agent**

**BNP Paribas Securities Services, Luxembourg Branch**

33, Rue de Gasperich  
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**Legal Advisers to the Dealers as to German law**

**Hengeler Mueller**

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