

€ 750,000,000 Dated Upper Tier 2 Securities

issued by

UT2 Funding p. l. c.

(a public limited company established under the laws of Ireland on 19 June 2006)

with the payment of coupons and principal conditional upon receipt of profit distributions and repayment from cumulative profit participation securities (*Genussscheine*) issued by

Dresdner Bank Aktiengesellschaft

Frankfurt am Main

incorporated as a stock corporation (*Aktiengesellschaft*) under German law

The issue price of the € 750,000,000 Dated Upper Tier 2 Securities in the denomination of € 1,000 each (the **Securities**) issued by UT2 Funding p. l. c. (the **Issuer**), a public limited company established under the laws of the Republic of Ireland on 19 June 2006 with registered number 422060, is 100 per cent. of their principal amount.

Interest on the nominal amount of the Securities will accrue from (and including) 20 July 2006 (the **Issue Date**) until 30 June 2016 for each Coupon Period (as defined below) at a rate of 5.321 per cent. per annum and will be payable annually in arrear on each Due Date (as defined herein), commencing on 30 June 2007. **Coupon Periods** run from (and including) 30 June of each year to (but excluding) 30 June of the following year, except for the first Coupon Period, which runs from (and including) the Issue Date to (but excluding) 30 June 2007. Payments of interest (each such payment a **Coupon Payment**) may be delayed and are contingent on the Issuer's actual receipt of funds under the Cumulative Profit Participation Securities, under the Loan Agreement and under the Indemnity Agreement (each as defined herein) as described in "Terms and Conditions of the Securities".

The Issuer will use the proceeds of the issue of the Securities exclusively to acquire profit participation securities (*Genussscheine*) issued on the Issue Date by Dresdner Bank Aktiengesellschaft (**Dresdner Bank** or the **Bank**) in the aggregate principal amount of € 750,000,000 (the **Cumulative Profit Participation Securities**). The Issuer expects to fund Coupon Payments on the Securities with profit distribution payments received under the Cumulative Profit Participation Securities and funds received from Dresdner Bank (in such capacity the **Lender**) under a loan agreement (the **Loan Agreement**). Pursuant to a fiduciary assignment and transfer agreement dated on or about 18 July 2006 (the **Fiduciary Assignment Agreement**) between the Issuer, the Bank, the Lender and HSBC Trustee (C.I.) Limited acting as a security trustee for the benefit of the holders of the Securities (**Security Trustee**), the Issuer will assign and transfer to the Security Trustee its ownership interest in the global certificate representing the Cumulative Profit Participation Securities and will assign all of its claims against the Lender under the Loan Agreement and all of its claims against the Bank for indemnification in respect of withholding tax under the laws of Ireland, if any, to the Security Trustee for the benefit of the holders of the Securities (the **Securityholders**).

The Securities are scheduled to be redeemed at their Repayment Amount (as defined herein) on 30 June 2016. Redemption may be delayed and is contingent on the Issuer's actual receipt of funds under the Cumulative Profit Participation Securities. The Securities may be redeemed earlier if the Cumulative Profit Participation Securities are redeemed prior to their scheduled maturity and at the option of the Issuer under certain tax-related conditions.

Investing in the Securities involves certain risks. Please review carefully the section entitled "Risk Factors" beginning on page 48 of this Prospectus.

The Bank expects that, upon issuance, the Securities will be assigned a rating of A3 by Moody's Investors Service, Inc. (**Moody's**), a rating of A- by Standard and Poor's (a division of The McGraw-Hill Companies, Inc.) (**S&P**) and a rating of A- by Fitch Ratings Ltd. (**Fitch**). A rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

The Securities will initially be represented by a temporary global security in bearer form without coupons which will be deposited on or about the Issue Date with Clearstream Banking AG, Frankfurt am Main (the **Clearing System**), where the Securities have been accepted for clearance. It is expected that delivery of the Securities will be made through the Clearing System against payment therefor in immediately available funds, on or about the Issue Date. The temporary global security will be exchangeable for a permanent global security in bearer form upon certification as to non-US beneficial ownership.

Application has been made to the Irish Financial Services Regulatory Authority (**IFSRA**), as competent authority under the Directive 2003/71/EC (the **Prospectus Directive**) for this Prospectus to be approved. Application has been made to the Irish Stock Exchange for the Securities to be admitted to the official list and to trading on its regulated market. Further, application is intended to be made to the Frankfurt Stock Exchange to list the Securities on the Official Market (*Amtlicher Markt*) of the Frankfurt Stock Exchange. There can be no assurance that listing of the Securities on the Irish Stock Exchange or the Frankfurt Stock Exchange will be granted. The Issuer has requested the Financial Regulator to provide the competent authorities in Germany, the United Kingdom, Austria, Luxembourg and The Netherlands with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus (Directive 2003/71/EC) Regulations 2005 which implements the Prospectus Directive into Irish law (the **Prospectus Regulations**).

Sole Bookrunner/Structuring Advisor

Dresdner Kleinwort

Senior Co-Lead Managers

Citigroup

The Royal Bank of Scotland

UBS Investment Bank

Co-Lead Managers

Barclays Capital

BNP Paribas

Caboto

Caixa – Banco de Investimento

Calyon

Credit Suisse

Davy Stockbrokers

ES Investment

Fortis Bank

Helaba

HVB Corporates & Markets

Landesbank Baden-Württemberg

Lehman Brothers

Lloyds TSB

NATEXIS BANQUES POPULAIRES

Norddeutsche Landesbank Girozentrale

Santander

The date of this Prospectus is 18 July 2006. This Prospectus constitutes a prospectus pursuant to, and is in compliance with the requirement of, the Prospectus Directive.

Responsibility Statement

The Bank accepts responsibility for the information contained in this prospectus (the **Prospectus**) and 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 does not omit anything likely to affect its import. The Issuer accepts responsibility for the information in this Prospectus about itself and the description of the Transaction (as defined in “Summary”) and to the best of its knowledge the information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer does not accept responsibility for any other information contained in this Prospectus.

Notice

No person is authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer, the Bank or by or on behalf of Dresdner Bank AG London Branch (the **Lead Manager**) and Citigroup Global Markets Limited, The Royal Bank of Scotland plc and UBS Limited (the **Senior Co-Lead Manager**) and Banca Caboto s.p.a., Banco Espirito Santo de Investimento SA, Banco Santander Central Hispano, S.A., Barclays Bank plc., Bayerische Hypo- und Vereinsbank AG, BNP Paribas, Caixa – Banco de Investimento, S.A., CALYON Corporate and Investment Bank, Credit Suisse Securities (Europe) Ltd, Fortis Bank nv-sa, J&E Davy Holdings Limited, Landesbank Hessen-Thüringen Girozentrale, Landesbank Baden-Württemberg, Lehman Brothers International (Europe), Lloyds TSB Bank plc, NATEXIS BANQUES POPULAIRES and Norddeutsche Landesbank Girozentrale (the **Co-Lead Manager**) (each, a **Manager**, and collectively, the **Managers**). Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Bank or any of their respective affiliates since the date of this Prospectus, or that the information herein is correct at any time since its date.

An investment in the Securities is suitable only for financially sophisticated investors who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments.

Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their residence and domicile for the acquisition, holding or disposal of Securities and any foreign exchange restrictions that might be relevant to them. This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Bank or the Managers to subscribe for or to purchase any of the Securities.

Prospective investors should satisfy themselves that they understand all of the risks associated with making investments in the Securities. Please review carefully the section entitled “Risk Factors” beginning on page 29 of this Prospectus. If a prospective investor is in any doubt whatsoever as to the risks involved in investing in the Securities, he should consult professional advisers.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Bank or the Managers that any recipient of this Prospectus should purchase any of the Securities. Each investor contemplating purchasing Securities should make his own independent investigation of the financial condition and affairs, and his own appraisal of the creditworthiness, of the Issuer and the Bank.

Other than with respect to Ireland, none of the Issuer, the Bank or the Managers has taken, and other than with respect to Germany, the United Kingdom, Austria, Luxembourg and The Netherlands, none of the Issuer, the Bank or the Managers will take, any action that would permit a public offering of the Securities or distribution of this document in any jurisdiction where action would be required for such a purpose. The offer, sale and delivery of the Securities and the distribution of this Prospectus in certain jurisdictions is restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Bank and the Managers to inform themselves about and to observe any such restrictions. In particular, the Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**). Subject to certain limited exceptions, the Securities may not be offered, sold or delivered within the United States or to U.S. persons.

Copies of this Prospectus have been filed with and approved by the Financial Regulator as required by the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (the **Prospectus Regulations**). Upon approval of this Prospectus by the Financial Regulator, this Prospectus will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Regulations.

The Issuer is not and will not be regulated by the Financial Regulator as a result of issuing the Securities. Any investment in the Securities does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Financial Regulator.

IN CONNECTION WITH THE ISSUE OF THE SECURITIES, DRESDNER BANK AS STABILISING MANAGER OR PERSONS ACTING ON ITS BEHALF MAY OVER-ALLOT SECURITIES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE SECURITIES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL.

HOWEVER, THERE IS NO ASSURANCE THAT DRESDNER BANK AS STABILISING MANAGER (OR ANY PERSON ACTING ON ITS BEHALF) WILL UNDERTAKE ANY STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE SECURITIES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE ISSUE DATE AND 60 CALENDAR DAYS AFTER THE DATE OF THE ALLOTMENT OF THE SECURITIES. ANY STABILISING ACTION OR OVER-ALLOTMENT SHALL BE CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Forward-looking Statements

In addition to historical information, this Prospectus includes forward-looking statements. These statements relate to the Bank's future prospects, developments and business strategies. They are based on analyses of forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", and similar terms and phrases, including references to assumptions. These statements are contained in particular in the sections entitled "Summary", "Risk Factors", "The Bank" and other sections of this Prospectus.

These forward-looking statements involve risks, uncertainties and other factors that may cause the actual future results, performance and achievements to be materially different from those suggested or described in this Prospectus. Many of the factors that will determine these results, performance and achievements are beyond the Bank's control. Such factors include, among others, uncertainties in respect of the overall economic development, loan defaults, court proceedings or other proceedings, maintenance of appropriate refinancing conditions and generally the economic and business framework of the markets relevant for the Bank's business.

The risks described above and in the section entitled "Risk Factors" are not comprehensive. New risks, uncertainties and other factors may emerge from time to time and it is not possible for the Bank to predict all such risk factors, to assess the impact of all such risk factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, the investor should not place undue reliance on forward-looking statements as a prediction or guarantee of actual results or events.

Presentation of Financial Information

The non-consolidated financial statements of the Bank have been prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*) (**HGB**) and generally accepted accounting principles thereunder (**German GAAP**). The consolidated financial statements of the Bank have been prepared in accordance with the International Financial Reporting Standards (**IFRS**) of the International Accounting Standards Board.

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Summary

The following constitutes a summary (the **Summary**) of certain essential characteristics of the transaction underlying the issuance and offering of the Securities, the terms of the Securities, the terms of the Cumulative Profit Participation Securities and certain other material agreements. This Summary should be read as an introduction to this Prospectus. It does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus. Any decision by an investor to invest in the Securities should be based on consideration of this Prospectus as a whole. Where a claim relating to the information contained in this Prospectus 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 before the legal proceedings are initiated. Civil liability attaches to those persons who have tabled this Summary including any translation thereof, and applied for its notification, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus.

Introductory Summary of the Transaction

*The following paragraphs contain a brief overview of the most significant features of the transaction (the **Transaction**) consisting of the issuance of the Securities by the Issuer and payment of the proceeds therefrom to the Bank in consideration for the purchase from the Bank of the Cumulative Profit Participation Securities issued by the Bank.*

The Issuer proposes to issue the € 750,000,000 Dated Upper Tier 2 Securities. With the proceeds of the issue of the Securities, the Issuer will acquire the Cumulative Profit Participation Securities (*Genussscheine*) issued by the Bank in the aggregate nominal amount of € 750,000,000. For this purpose, the Issuer will pay the purchase price for the Cumulative Profit Participation Securities of € 750,000,000 to the Bank in cash.

As holder of the Cumulative Profit Participation Securities, the Issuer will earn profit distributions (**Profit Distributions**) calculated annually on the basis of the nominal amount of the Cumulative Profit Participation Securities for each fiscal year of the Bank and payable annually in arrear (**Profit Distribution Payments**) on the later of (i) 30 June following the end of the fiscal year of the Bank to which the Profit Distribution relates or (ii) if on 29 June following the end of the relevant fiscal year the annual non-consolidated financial statements of the Bank have not been approved (*festgestellt*), the Business Day (as defined below) following such approval (each such date, a **Due Date**). Profit Distributions will only accrue if and to the extent that there is a sufficient balance sheet profit (*Bilanzgewinn*) recorded on the Bank's annual non-consolidated balance sheet in accordance with applicable accounting standards for the relevant fiscal year (**Balance Sheet Profit**) and that and so long as the book value of the Cumulative Profit Participation Securities is not reduced (see below page 8). Under the applicable accounting standards, the Balance Sheet Profit includes the annual net profit (*Jahresüberschuss*) or net loss (*Jahresfehlbetrag*) adjusted for profits/losses carried forward from the previous years as well as transfers from capital reserves (*Kapitalrücklage*) and transfers from and allocations to earnings reserves (*Gewinnrücklagen*). The Bank will not be obliged to realise hidden reserves or to make withdrawals from on-balance sheet reserves in order to ensure a Balance Sheet Profit. If the Balance Sheet Profits of the Bank do not suffice for the accrual of full Profit Distributions, Profit Distributions may accrue in part or no Profit Distributions may accrue at all for the relevant fiscal year of the Bank. Such unpaid Profit Distributions will constitute **Arrears of Profit Distributions**. Arrears of Profit Distributions will become payable on each following Due Date subject to sufficient Balance Sheet Profits having been recorded by the Bank for the fiscal year to which the Profit Distribution Payment payable on such Due Date relates so as to enable the Bank to pay both the Arrears of Profit Distributions and the Profit Distribution Payment falling due on such date. If such subsequent Balance Sheet Profits are insufficient, the Bank will first pay any Arrears of Profit Distributions before making any current Profit Distribution Payments. Any obligation by the Bank to make Profit Distribution Payments and payments of Arrears of Profit Distributions will be extinguished to the extent that such payments have not been made by the Bank before or on the repayment date of the Cumulative Profit Participation Securities (the **Repayment Date**, which will be the later of (i) 30 June 2016 and (ii) if on 29 June 2016 the annual non-consolidated financial statements of the Bank for the fiscal year ended 31 December 2015 have not been approved (*festgestellt*), the Business Day following such approval) as a result of insufficient Balance Sheet Profits.

In addition, the Issuer, as holder of the Cumulative Profit Participation Securities, shares in an Annual Balance Sheet Loss (as defined in the Terms and Conditions of the Cumulative Profit Participation Securities) of the Bank in the proportion which the book value of the Cumulative Profit Participation Securities bears at the end of the relevant profit period to the aggregate book value of all those components of the Bank's regulatory liable capital (*aufsichtsrechtliches Eigenkapital*) which participate in the Bank's Annual Balance Sheet Loss (including, however, those components of the Bank's regulatory liable capital which, due to time or size limitations, do not or do no longer qualify for regulatory purposes at the relevant time). In

such case, the Repayment Amount (as defined below) of the Cumulative Profit Participation Securities will be reduced by the amount of their book value's *pro rata* share in the relevant Annual Balance Sheet Loss (**Reduction**). After a Reduction, the book value of the Cumulative Profit Participation Securities will be replenished (in priority to payments of dividends or other distributions on shareholder's equity and to allocations to reserves (with the exception of the statutory reserve) and in priority in relation to capital providers in accordance with § 10(4) KWG (silent participations) if the terms of such instruments provide therefor) up to their initial nominal amount of € 1,000 each in future fiscal years provided that such replenishment does not cause an Annual Balance Sheet Loss or an increase in an Annual Balance Sheet Loss to be recorded in the Bank's non-consolidated accounts for the relevant fiscal year. An **Annual Balance Sheet Loss** will exist if the annual non-consolidated balance sheet of the Bank, as audited by an auditing firm recognized by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*), does not show a Balance Sheet Profit for the fiscal year to which the relevant Profit Distribution relates. Profit Distributions will only be paid after a full replenishment of the Cumulative Profit Participation Securities' book value to € 1,000 each. If the book value of the Cumulative Profit Participation Securities on the Repayment Date is less than their initial nominal amount, redemption will be made on the Repayment Date at the lower book value. The holders of the Cumulative Profit Participation Securities will be entitled to additional redemption payments up to an amount corresponding to the difference between the redemption payment made on the Repayment Date and the initial nominal amount of the Cumulative Profit Participation Securities if the requirements for a further replenishment of the book value of the Cumulative Profit Participation Securities up to their initial nominal amount of € 1,000 each are met in any one or more of the fiscal years of the Bank that follow the Repayment Date and that end on or before 31 December 2019. Such additional redemption payments will be made on the later of (i) 30 June following the end of the relevant fiscal year of the Bank to which the further replenishment relates or (ii) if on 29 June following the end of the relevant fiscal year the annual non-consolidated financial statements of the Bank have not been approved (*festgestellt*), the Business Day following such approval (each an **Additional Repayment Date**). However, any further claims for redemption of the Cumulative Profit Participation Securities will be extinguished with regard to any Reduction still existing at the end of the fiscal year of the Bank ending on 31 December 2019.

In liquidation and insolvency, the Bank's payment obligations under the Cumulative Profit Participation Securities (i) are subordinated to the claims of all existing and future creditors of the Bank (but excluding the creditors referred to under (ii) and (iii) below), (ii) rank at least *pari passu* (by percentage of the amount payable) with all claims for distributions under or the repayment of capital contributions made with respect to profit participation rights in the form of *Genussrechte* or *Genussscheine*, and other upper tier 2 capital instruments, if any, and any other subordinated debt in accordance with § 10(5) and (5a) of the German Banking Act (**KWG**) and (iii) rank senior to (y) all claims for distributions under or the repayment of capital contributions made with respect to existing and future silent participations in the Bank and (z) all claims against the Bank ranking or expressed to rank senior to all claims of shareholders of the Bank in connection with their shares in the statutory capital (*Grundkapital*) of the Bank.

Profit Distribution Payments are subject to German withholding tax (*Kapitalertragsteuer*) plus solidarity surcharge (*Solidaritätszuschlag*) (**German Withholding Tax**) to be withheld and transferred by the Bank to the German tax authorities. In relation to such withholdings, the Issuer (as an Irish tax resident company) expects to be entitled to refund claims against the German tax authorities (**Tax Refund Claims**). As Tax Refund Claims only become due after the due date for the Coupon Payment on the Securities corresponding to the Profit Distribution Payment on which such withholding is made, the Issuer, on or about 18 July 2006, will enter into a loan agreement (the **Loan Agreement**) with the Bank (in such capacity, the **Lender**). Under the Loan Agreement, the Issuer is paid loan advances (each an **Advance**) in order to fund its obligations to make Coupon Payments on the Securities. The Issuer expects to repay the Advances with the monies that it receives as Tax Refund Claims.

In addition, the Bank and the Issuer will enter into an indemnity agreement (the **Indemnity Agreement**), pursuant to which the Bank is obliged to make payments (**Indemnity Payments**) to the Issuer in respect of withholding tax under the laws of Ireland, if any, on payments under the Securities. The Issuer agreed to use the Indemnity Payments to fund its obligations under the Securities to gross up for any such tax.

Payment of interest and principal under the Securities is conditional upon receipt by the Issuer of (i) Profit Distribution Payments and/or the repayment amount under the Cumulative Profit Participation Securities (the **Repayment Amount**) from the Bank, (ii) Advances from the Lender under the Loan Agreement and (iii) payments from the Bank under the Indemnity Agreement, if applicable. Hence, payments under the Securities are linked to Profit Distribution Payments and payment of the Repayment Amount which, in turn, are each dependent on the Bank's financial performance. The Issuer's obligation to make Coupon Payments and redemption payments (**Redemption Payments**) under the Securities is, therefore, dependent on the financial condition and results of operations of the Bank.

Pursuant to the Fiduciary Assignment Agreement between the Issuer, the Bank, the Lender and the Security Trustee, the Issuer will assign and transfer to the Security Trustee its ownership of the global certificate representing the Cumulative Profit Participation Securities and will assign all of its claims against the Lender under the Loan Agreement and all of its claims against the Bank under the Indemnity Agreement to the Security Trustee for the benefit of the Securityholders.

The Bank intends to treat the proceeds that it receives upon issuance of the Cumulative Profit Participation Securities as solo upper tier 2 capital for the purposes of determining its compliance with consolidated and non-consolidated regulatory capital requirements. For more information on the regulatory capital requirements applicable to the Bank and its consolidated subsidiaries, see "Regulation".

Summary with regard to the Issuer

The Issuer was established under the name UT2 Funding p.l.c., registered number 422060 on 19 June 2006.

The authorised share capital of the Issuer is EUR 40,000 divided into 40,000 ordinary shares of par value EUR 1 each (the **Shares**). The Issuer has issued 40,000 Shares, all of which are fully paid and are held on trust by CCT Corporate Nominees Limited (the **Share Trustee**) under the terms of a declaration of trust (the **Declaration of Trust**) dated on or about 18 July 2006, under which the Share Trustee holds the Shares on trust for charity. The Share Trustee has no beneficial interest in and derives no benefit (other than any fees for acting as Share Trustee) from its holding of the Shares. The Share Trustee will apply any income derived from the Issuer solely for the above purposes.

The principal purpose of the Issuer is to invest in profit participation securities issued by the Bank and, for this purpose, to raise capital by the issuance of debt securities and to undertake certain activities related thereto. The Issuer is further entitled to engage in any ancillary businesses that promote the foregoing principal business purpose.

The principal activities of the Issuer correspond to the business purpose stipulated in the articles of association.

Summary with regard to the Dresdner Bank Group

Dresdner Bank, together with its subsidiaries (the **Dresdner Bank Group** or the **Group**), offers a wide range of private, commercial and investment banking products and services for corporate, governmental and individual customers, primarily in the European market. Based on total assets at December 31, 2005, Dresdner Bank is one of the largest banks in Germany. Dresdner Bank is a wholly-owned subsidiary of Allianz AG, which together with its subsidiaries (**Allianz Group**), is an international and integrated financial services provider, offering insurance, banking and asset management products and services, with the Dresdner Bank Group representing the centre of the banking competence of the Allianz Group. Dresdner Bank's shares are held indirectly by Allianz AG.

Dresdner Bank operates and distributes its products primarily through 959 branch offices, of which 906 are located in Germany and 53 outside of Germany. Until December 31, 2005, the Group conducted its operations through four strategic divisions: Personal Banking, Private & Business Banking, Corporate Banking and Dresdner Kleinwort Wasserstein (**DrKW**), as well as the Corporate Investments and Consolidation & Adjustments segments, while the non-strategic Institutional Restructuring Unit (**IRU**) was closed down effective September 30, 2005:

- *Personal Banking* provided personalized financial services such as payment transactions, financing, investment advice, financial planning and insurance products.
- *Private & Business Banking* provided access for its worldwide clients to its range of private banking services, such as wealth management, portfolio management, real estate investment advice and trust and estate advice, as well as business banking advisory services to assist corporate clients in arranging their private and business finances in an integrated and customized manner.
- *Corporate Banking* offered corporate loans, structured financing, as well as treasury, securities and insurance products, and provided corporate customers with cash management solutions, payment services, global documentary services and advice on occupational pension plans.
- *DrKW* offered corporate finance advisory services on mergers and acquisitions, divestitures, restructurings and other strategic matters, and provided securities underwriting and market-making, securitization products and services, securities and derivatives trading, portfolio management, and other capital markets products and services.
- *IRU* was closed down effective September 30, 2005 having successfully completed its mandate to free-up risk capital through the reduction of risk-weighted assets.
- *Corporate Investments* comprised investment securities and land and buildings used by third parties that the Group had no longer considered to be part of its core business following its strategic reorientation. The Group's goal is to reduce these holdings as part of a targeted divestment process.
- *Consolidation & Adjustments* included income and expense items that are not assigned to Dresdner Bank's operating divisions, or that are the result of decisions that affect the Group as a whole.

During the first half of 2006, the Group has reorganized its business.

The newly-formed Private & Corporate Clients division will combine all banking activities formerly provided by the Personal Banking and Private & Business Banking divisions and will also be responsible for medium-sized business and corporate clients formerly advised by the Corporate Banking division.

The Investment Banking division will be integrated in Dresdner Bank and be managed under the commercial name “Dresdner Kleinwort” going forward. It will consist of the Global Banking and Capital Markets units. Dresdner Kleinwort will support publicly traded German and international groups as well as institutional clients. Through Dresdner Kleinwort the Group intends to restore capital market activities. The capital markets business plays a key role as a product development factory for the bank as a whole, for example for structured investment products for private investors and hedging instruments for the middle market and large groups.

Transaction processing and internal services, e. g. services in the areas of IT, human resources and transaction services, will be bundled in a new Business Services division.

In addition, the Group established the Corporate Other segment comprising income and expense items that are not assigned to Dresdner Bank’s operating divisions, similar to the former Consolidation & Adjustments segment, as well as certain central corporate functions such as finance, risk management, marketing & communication and internal audit. The income and expense items in Corporate Other include, in particular, impacts from the accounting for derivative financial instruments which do not qualify for hedge accounting, provisioning requirements for country and general risks, as well as realized gains and losses from Dresdner Bank’s non-strategic investment portfolio. As the Group’s remaining non-strategic investments are now included in the Corporate Other segment, the Group will no longer present a Corporate Investments segment as in past years.

Summary of Risk Factors

Prospective purchasers of the Securities offered hereby should consider their current financial circumstances and investment objectives and always consult their own financial, legal and tax advisers with regard to the suitability of the Securities in the light of their personal circumstances before acquiring the Securities.

Should one or several of these risks occur, this could lead to a material and long-term decline in the price of the Securities or, in extreme cases, to a total loss of interest and of the capital invested by the investor.

Risk Factors Concerning the Bank and the Dresdner Bank Group

The Bank’s and Dresdner Bank Group’s financial position and results of operations may be materially adversely affected by certain risk factors, including, but not limited to, the risks below (to the extent that the following risk factors refer to the Dresdner Bank Group, such risk factors also apply to the Bank):

- Interest rate volatility may adversely affect Dresdner Bank Group’s results of operations;
- Market risks could impair the value of the Group’s portfolio and adversely impact its financial position and results of operations;
- The Group has significant counterparty risk exposure;
- Changes in existing, or new, government laws and regulations, or enforcement initiatives in respect thereof, in the countries in which the Dresdner Bank Group operates may materially impact the Group and could adversely affect its business;
- The Group’s business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to the Dresdner Bank Group, other well-known companies and the financial services industry generally;
- Changes in value relative to the Euro of non-Euro zone currencies in which the Group generates revenues and incurs expenses could adversely affect its reported earnings and cash flow;
- Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and leading to material losses for the Group;
- Even where losses are for the Dresdner Bank Group’s clients’ accounts, they may fail to repay it, leading to material losses for the Group, and its reputation can be harmed;
- The Group’s investment banking revenues may decline in adverse market or economic conditions;

- The Dresdner Bank Group may generate lower revenues from brokerage and other commission- and fee-based businesses; and
- Intense competition, especially in the Group's home market of Germany, where it has the largest single concentration of its businesses, could materially hurt the Group's revenues and profitability.

Summary in respect of the Risks associated with the Securities

An investment in the Securities involves certain risks associated with the characteristics of the Securities which could lead to substantial losses the Securityholders would have to bear in the event of having to sell their Securities or with regard to receiving interest payments and repayment of principal. Those risks include that:

- Interest payments on the Securities depend on the Bank's profits and will not accrue (i) if and to the extent such accrual would create or increase an Annual Balance Sheet Loss (*Bilanzverlust*) in the Bank's audited annual non-consolidated accounts in accordance with applicable accounting standards or (ii) if the book value of the Cumulative Profit Participation Securities is below their nominal amount due to a loss sharing in the past. Arrears of interest resulting therefrom may be payable in subsequent years, however, any arrears of interest not payable on the Repayment Date will be extinguished.
- Repayment of principal of the Securities is dependent on the book value of the Cumulative Profit Participation Securities as shown in the Bank's audited annual non-consolidated balance sheet relating to the fiscal years of the Bank immediately preceding (i) the Repayment Date and (ii) any Additional Repayment Date thereafter. In case the book value of the Cumulative Profit Participation Securities determined on all of these dates is lower than their nominal amount, the Securityholders will incur a corresponding loss on their investment.
- Any payment under the Securities is conditional upon the actual receipt by the Issuer of corresponding amounts from the Bank under the Cumulative Profit Participation Securities, the Indemnity Agreement (if applicable) and the Loan Agreement.
- The Securities may be subject to early termination prior to their scheduled maturity. In addition to any termination rights expressly stated in the terms and conditions of the Securities, the Cumulative Profit Participation Securities and the agreements relating to the issue of the Securities and the Cumulative Profit Participation Securities, there may be extraordinary termination rights under German law that cannot contractually be excluded.
- The Securities are (save for the security interest created for the benefit of the Securityholders pursuant to the Fiduciary Assignment Agreement) unsecured obligations of the Issuer.
- Claims under the Cumulative Profit Participation Securities are subordinated. In the event of the liquidation or insolvency of the Bank, claims of the Securityholders would be equal to the liquidation proceeds obtained by the Issuer for the Cumulative Profit Participation Securities which would rank junior to the claims of all unsubordinated creditors of the Bank.
- There is no restriction on the amount of debt that the Issuer or the Bank may incur.
- Prior to their issue, there has been no public market for the Securities and there can be no assurance that an active public market for the Securities will develop.

Summary in respect of the Risks associated with the Issuer

The Issuer is a special purpose entity and is not affiliated with the Bank. The Issuer will not have any assets other than the claims under the Cumulative Profit Participation Securities, the Loan Agreement and the Indemnity Agreement. There can be no assurance that the Issuer will receive sufficient funds to satisfy the Securityholders' payment claims under the Securities. In particular, the Fiduciary Assignment Agreement between the Issuer, the Bank, the Lender and the Security Trustee does not assure the due payment of the above claims.

Summary of the Offering

The following overview describes the most important elements of the offering and the Transaction. It is necessarily incomplete and investors are urged to read carefully the entire summary and the full text of the Prospectus, including, *inter alia*, the “Terms and Conditions of the Securities”, the “Terms of the Cumulative Profit Participation Securities” and the “Terms of the Loan Agreement”, for a more precise description of the offered Securities.

Securities Offered

€ 750,000,000 Dated Upper Tier 2 Securities; see (“-Summary of the Terms of the Securities”).

Issuer

UT2 Funding p.l.c., a public limited company established under the laws of Ireland on 19 June 2006.

Limited Purpose of Issuer

Apart from purchasing and holding the Cumulative Profit Participation Securities (see “– Summary of the Cumulative Profit Participation Securities”), entering into other agreements ancillary to the Transaction and the issuance of the Securities, the Issuer will not create additional liabilities, except for those liabilities which are absolutely necessary to keep its business in operation. See “General Information on the Issuer”.

The Bank

Dresdner Bank Aktiengesellschaft, Frankfurt am Main, a bank incorporated as a stock corporation (*Aktiengesellschaft*) under German law.

Cumulative Profit Participation Securities

With the proceeds of the issue of the Securities, the Issuer will purchase the Cumulative Profit Participation Securities issued by the Bank in the aggregate nominal amount of € 750,000,000; see “– Summary of the Terms of the Cumulative Profit Participation Securities”.

Loan Agreement

Under the Loan Agreement, the Bank (in this capacity, the **Lender**) will pay to the Issuer Advances corresponding to the relevant withholdings on account of German Withholding Tax on the Profit Distribution Payments and payments on Arrears of Profit Distributions. The Issuer will use the Advances to fund its obligations to make the Coupon Payments under the Securities. The Issuer expects to repay the Advances with the monies that it receives as Tax Refund Claims. See “– Summary of the Terms of the Loan Agreement”.

Indemnity Agreement

Pursuant to the Indemnity Agreement, the Bank is obliged to make payments to the Issuer in respect of withholding tax, if any, levied in Ireland in relation to payments under the Securities. The Issuer will use the payments received under the Indemnity Agreement to fund its obligations in respect of Additional Amounts, if any, payable under the Securities.

Fiduciary Assignment Agreement

Pursuant to the Fiduciary Assignment Agreement, the Issuer assigns and transfer to the Security Trustee, for the benefit of the Securityholders, its ownership interest in the global certificate representing the Cumulative Profit Participation Securities as well as all present and future payment claims under the Loan Agreement and the Indemnity Agreement. See “Description of the Fiduciary Assignment Agreement”.

Principal Paying Agent

Citibank, N.A.

German Paying Agent

Citigroup Global Markets Deutschland AG & Co. KGaA.

Irish Paying Agent

Citibank International plc.

Irish Listing Agent

Arthur Cox Listing Services Limited

Security Trustee

HSBC Trustee (C.I.) Limited

Listing

Application has been made to the Irish Financial Services Regulatory Authority, as competent authority under the Prospectus Directive, for this Prospectus to be approved. Application has been made to the Irish Stock Exchange for the Securities to be admitted to the official list and to trading on its regulated market. Further, application is intended to be made to the Frankfurt Stock Exchange to list the Securities on the Official Market (*amtlicher Markt*) of the Frankfurt Stock Exchange.

Securities Codes

ISIN: DE000A0GVS76.

WKN: A0GVS7.

Common Code: 026189004.

Summary of the Terms of the Securities

The following summary refers to certain terms and conditions of the Securities. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms and conditions of the Securities which may be found under "Terms and Conditions of the Securities".

Issuer	UT2 Funding p.l.c., a public limited company established under the laws of Ireland on 19 June 2006.
Nominal Amount	€ 1,000 per Security.
Aggregate Nominal Amount	€ 750,000,000.
Issue Price	100 per cent. of nominal amount.
Form	The Securities will be initially represented by a temporary global security in bearer form without coupons (the Temporary Global Security) that will be exchangeable for a permanent global security in bearer form without coupons (Permanent Global Security) upon certification as to non-US beneficial ownership.
Issue Date	20 July 2006.
Status	The Issuer's obligations under the Securities constitute direct, unsubordinated and (save for the security created for the benefit of the Securityholders pursuant to the Fiduciary Assignment Agreement) unsecured conditional obligations of the Issuer and rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all unsubordinated and unsecured obligations of the Issuer, present or future, save for mandatory exceptions prescribed by statutory law.
Limited Recourse	The Securities will be limited recourse obligations of the Issuer. Any payments under the Securities are limited to the amounts actually received by the Issuer under the Cumulative Profit Participation Securities, the Loan Agreement and the Indemnity Agreement as more fully described in Terms and Conditions of the Securities.
Coupon Payments	Interest on the nominal amount of the Securities will accrue from (and including) the Issue Date until 30 June 2016 for each Coupon Period at a rate of 5.321 per cent. <i>per annum</i> and will be payable annually in arrear on each Due Date (as defined below). Coupon Payments are contingent on the Issuer's receipt of Profit Distribution Payments from the Bank under the Cumulative Profit Participation Securities (after deduction of German Withholding Tax) (see "– Summary of the Terms of the Cumulative Profit Participation Securities – Profit Distribution Payments and Dates"), Advances from the Lender under the Loan Agreement (see "– Summary of the Terms of the Loan Agreement- Loan Advances") and payments from the Bank under the Indemnity Agreement (see "– Summary of the Offering – Indemnity Agreement"). If the Issuer is unable to make a Coupon Payment in whole or in part on a Due Date because the Profit Distributions otherwise payable on such Due Date under the Cumulative Profit Participation Securities were excluded in whole or in part (see "Summary of the Terms of the Cumulative Profit Participa-

tion Securities – Profit Distributions Excluded”), the Issuer will make up for such Coupon Payment if, when and to the extent it receives payments in respect of Arrears of Profit Distributions from the Bank on or prior to the Repayment Date (see “Summary of the Terms of the Cumulative Profit Participation Securities – Arrears of Profit Distributions”). The Issuer will be under no obligation to make payments to Securityholders in excess of any Profit Distributions or Arrears of Profit Distributions, Advances under the Loan Agreement and payments under the Indemnity Agreement actually received by it.

Interest Calculation Method

Interest for a period of less than one year is calculated on the basis of the actual number of days in such period divided by the actual number of days (365 or 366) in the relevant interest year.

Due Dates

Coupon Payments under the Securities will be made on the dates on which Profit Distribution Payments under the Cumulative Profit Participation Securities, if any, are paid to the Issuer. The due date for Profit Distribution Payments under the Cumulative Profit Participation Securities is 30 June of each year, commencing 30 June 2007. Profit Distribution Payments and hence Coupon Payments may in any given year be delayed if the approval (*Feststellung*) of the Bank’s annual non-consolidated financial statements for the fiscal year to which the relevant Profit Distribution Payment relates is delayed (See “– Summary of the Terms of the Cumulative Profit Participation Securities – Profit Distribution Payments and Dates”).

Repayment Date and Repayment Amount

The Securities are scheduled for redemption on 30 June 2016. Redemption may be delayed if the approval (*Feststellung*) of the Bank’s financial statements for the fiscal year ended 31 December 2015 or the payment of the Repayment Amount payable by the Bank to the Issuer under the Cumulative Profit Participation Securities is delayed for any other reason. In such event the Securities will be redeemed on the date on which the Cumulative Profit Participation Securities are repaid. See “-Summary of the Terms of the Cumulative Profit Participation Securities – Repayment Date”.

The redemption amount will equal the Repayment Amount (subject to receipt thereof by the Issuer) required to be paid by the Bank under the Cumulative Profit Participation Securities (see “– Summary of the Terms of the Cumulative Profit Participation Securities – Repayment”).

Additional Repayment Amounts and Dates

Additional Repayment Amounts up to an amount corresponding to the difference between the Repayment Amount and the initial nominal amount of the Cumulative Profit Participation Securities will be payable if the requirements for a further replenishment of the Cumulative Profit Participation Securities’ book value up to its initial amount of € 1,000 per Cumulative Profit Participation Security are met in one or more of the fiscal years of the Bank that follow the Repayment Date and that end on or before

31 December 2019. Additional Repayment Amounts, if any, shall not bear interest.

Such Additional Repayment Amounts will be paid on 30 June of each year following the fiscal year with respect to which an Additional Repayment Amount is payable. Such payment may be delayed if the approval (*Feststellung*) of the Bank's financial statements for the relevant fiscal year or the payment of the Additional Repayment Amount payable by the Bank to the Issuer under the Cumulative Profit Participation Securities is delayed for any other reason.

Early Termination and Repayment

If an Irish Tax Event or an Irish Gross-up Event (each as defined in "Terms and Conditions of the Securities") has occurred, the Issuer may call the Securities for redemption at any time by giving not less than 30 days and not more than 60 days' prior notice.

Any such early termination shall not require a contemporaneous repayment of the Cumulative Profit Participation Securities and payment of the Repayment Amount thereunder but shall only be permissible if financing of the redemption of the Securities at their nominal amount plus any interest accrued thereon has been secured through the issuance of similar debt securities or in any other way.

Payment of Additional Amounts

If the Issuer is required to withhold or deduct amounts payable under the Securities on account of tax, it will be under an obligation (subject to customary exceptions set out in detail in the terms and conditions of the Securities) to gross up such amounts payable so that the Securityholders receive the full amount that would have been payable were no such withholding or deduction required. The Issuer's obligation to pay such Additional Amounts is subject to funds being available to it for that purpose. The Issuer will enter into the Indemnity Agreement under which the Bank is obliged to provide the Issuer with the funds required to pay Additional Amounts. The Issuer's ability to pay Additional Amounts will depend on receipt by the Issuer of amounts from the Bank to cover such Additional Amounts (see "Risk Factors – Distributions on and repayment of Securities are conditional").

Notices

All notices to the Securityholders will be given by the Issuer (i) by mail, fax or electronically to the Clearing System, (ii) so long as any of the Securities are listed on the Irish Stock Exchange and the Irish Stock Exchange so requires, to the Company Announcement Office of the Irish Stock Exchange through the Irish Paying Agent, and (iii) so long as any of the Securities are listed on the Frankfurt Stock Exchange and the Frankfurt Stock Exchange so requires, by publishing in at least one daily newspaper having general circulation in Germany.

In accordance with its published rules and regulations, the Clearing System will notify the Securityholders' accounts

to which any Securities are credited of any such notices received by it.

Frankfurt am Main, Germany.

German.

German.

For a discussion of the material Irish and German tax consequences of purchasing, owning and disposing of the Securities, see "Taxation".

Place of Jurisdiction

Governing Law

Governing Language

Tax Consequences

Summary of the Terms of the Cumulative Profit Participation Securities

The following summary refers to certain provisions of the Cumulative Profit Participation Securities. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms and conditions of the Cumulative Profit Participation Securities which may be found under "Terms and Conditions of the Cumulative Profit Participation Securities".

Issuer	Dresdner Bank Aktiengesellschaft, Frankfurt am Main, a bank incorporated as a stock corporation (<i>Aktiengesellschaft</i>) under German law.
Nominal Amount	€ 1,000 per Cumulative Profit Participation Security.
Aggregate Nominal Amount	€ 750,000,000.
Issue Price	100 per cent. of nominal amount.
Form	The Cumulative Profit Participation Securities will be represented by a global security in bearer form without coupons.
Issue Date	20 July 2006.
Status	In liquidation and insolvency of the Bank, the Bank's payment obligations under the Cumulative Profit Participation Securities (i) are subordinated to the claims of all existing and future creditors of the Bank (but excluding the creditors referred to under (ii) and (iii) below), (ii) rank at least <i>pari passu</i> (by percentage of the amount payable) with all claims for distributions under or the repayment of capital contributions made with respect to profit participation rights in the form of <i>Genussrechte</i> or <i>Genussscheine</i> , and other upper tier 2 capital instruments, if any, and any other subordinated debt in accordance with § 10(5) and (5a) of the German Banking Act (KWG) and (iii) rank senior to (y) all claims for the repayment of capital contributions made with respect to existing and future silent participations in the Bank and (z) all claims against the Bank ranking or expressed to rank <i>pari passu</i> with the claims referred to under (y) above; and rank senior to all claims of shareholders of the Bank in connection with their shares in the statutory capital (<i>Grundkapital</i>) of the Bank.
Sole Holder	UT2 Funding p.l.c., a public limited company established under the laws of Ireland on 19 June 2006.
Profit Periods	Profit Distributions on the Cumulative Profit Participation Securities accrue for profit periods (Profit Periods) that (with the exception of the first Profit Period) run from (and including) 1 January of each year to (and including) 31 December of such year; the last Profit Period ending on 31 December of the year immediately preceding the Repayment Date. The first Profit Period (First Profit Period) runs from (and including) the Issue Date to (and including) 31 December 2006.
Profit Distribution Due Dates	Subject to Profit Distributions being excluded in whole or in part (see "– Profit Distributions Excluded"), Profit Distributions shall be payable annually in arrear on the later of (i) 30 June following the end of the relevant Profit Period or, if that is not a Business Day, the next Business Day, or (ii)

if on 29 June following the end of the relevant Profit Period the Bank's audited annual non-consolidated financial statements for the fiscal year to which the Profit Period relates have not been approved (*festgestellt*), the Business Day following such approval.

Profit Distribution Rate for Profit Periods other than the First Profit Period

Subject to Profit Distributions being excluded in whole or in part (see “– Profit Distributions Excluded”), Profit Distributions for Profit Periods other than the First Profit Period shall accrue on the Principal Amount of the Cumulative Profit Participation Securities at a rate of 5.386 per cent. *per annum*.

Interest Calculation Method

Interest for a period of less than one year is calculated on the basis of the actual number of days in such period divided by the actual number of days (365 or 366) in the relevant interest year.

Profit Distribution Payment for the First Profit Period

Subject to Profit Distribution being excluded in whole or in part (see “Profit Distributions Excluded”), the Profit Distribution for the First Profit Period shall amount to an aggregate of € 38,212,500 (€ 50.95 per Cumulative Profit Participation Security). The Profit Distribution Payment for the First Profit Period shall be made on the later of (i) 30 June 2007 or, if that is not a Business Day, the next Business Day, or (ii) if on 29 June 2007 the Bank's audited annual non-consolidated financial statements for the fiscal year ended 31 December 2006 have not been approved (*festgestellt*), the Business Day following such approval.

Profit Distributions Excluded

Profit Distributions for any Profit Period (including the First Profit Period) will be excluded:

- (i) if and to the extent that payment of such Profit Distribution would, also taking into account the payment of Arrears of Profit Distributions (see “Terms and Conditions of the Cumulative Profit Participation Securities”), lead to or increase an Annual Balance Sheet Loss (see – “Annual Balance Sheet Loss”) for the fiscal year of the Bank to which the relevant Profit Period relates; or
- (ii) if the book value of the Cumulative Profit Participation Securities has been reduced due to previous Annual Balance Sheet Losses of the Bank and has not yet been fully replenished as provided for in the Terms and Conditions of the Cumulative Profit Participation Securities.

Annual Balance Sheet Loss

An **Annual Balance Sheet Loss** will exist if the annual non-consolidated balance sheet of the Bank in accordance with the Applicable Accounting Standards (as defined below), as audited by an auditing firm recognized by the Federal Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*), does not show a Balance Sheet Profit for the fiscal year to which the relevant Profit Distribution relates. The **Balance Sheet Profit** includes the annual net profit (*Jahresüber-*

schuss) or net loss (*Jahresfehlbetrag*), plus any profit carried forward from previous years, minus any loss carried forward from previous years, plus transfers from capital reserves and earnings reserves, minus allocations to earnings reserves, all in compliance with, and determined in accordance with, the Applicable Accounting Standards and other applicable German laws then in effect.

The Bank shall not be obliged to realise hidden reserves or to make withdrawals from on-balance sheet reserves in order to avoid an Annual Balance Sheet Loss.

Applicable Accounting Standards

The accounting standard applicable from time to time to the Bank which is obligatory for the drawing up of its non-consolidated annual financial statements. The Applicable Accounting Standard at the Issue Date is that defined by the German Commercial Code (*HGB*).

Arrears of Profit Distributions

Profit Distributions not paid as a result of insufficient Balance Sheet Profits or a Reduction will constitute **Arrears of Profit Distributions**. Arrears of Profit Distributions will be paid out of Balance Sheet Profits of subsequent Profit Periods prior to the Repayment Date. The payment of Arrears of Profit Distributions will be made on the Due Date for the Profit Distribution Payment in respect of the respective next Profit Period for which a Balance Sheet Profit is available. Should such subsequent Balance Sheet Profit be insufficient for the payment of the Arrears of Profit Distribution and the Profit Distribution for the respective last Profit Period, payment will first be made on the Arrears of Profit Distributions before any payment is made in respect of such Profit Distribution for the respective last Profit Period. Arrears of Profit Distributions will not themselves bear interest.

The Bank's obligation to pay Arrears of Profit Distributions and the Profit Distribution for the last Profit Period will be extinguished on the Repayment Date to the extent not paid on such date due to the restrictions set forth under "– Profit Distributions Excluded".

Loss Participation and Reduction

If the Bank incurs an Annual Balance Sheet Loss in any fiscal year, the Cumulative Profit Participation Securities share in such an Annual Balance Sheet Loss. The Cumulative Profit Participation Securities share in an Annual Balance Sheet Loss in the proportion which the book value of the Cumulative Profit Participation Securities bears to the aggregate book value of all those components of the Bank's regulatory liable capital (*aufsichtsrechtliches Eigenkapital*) participating in the Bank's Annual Balance Sheet Loss (including however, those components of the Bank's regulatory liable capital which, due to time or size limitations, do not or do no longer qualify for regulatory purposes at the relevant time). To the extent the Cumulative Profit Participation Securities share in an Annual Balance Sheet Loss, the Repayment Amount will be reduced.

Replenishment of Cumulative Profit Participation Securities

After a Reduction, the book value of the Cumulative Profit Participation Securities will, in each fiscal year of the Bank following such Reduction, be replenished up to the full Nominal Amount, but only if and to the extent such replenishment would not cause or increase an Annual Balance Sheet Loss.

The replenishment after a Reduction ranks senior to payments of dividends or other distributions on shareholder's equity and allocations to reserves (with the exception of the statutory reserve). In relation to capital providers in accordance with § 10(4) KWG (silent participations) the replenishment of the book value of the Cumulative Profit Participation Securities will rank senior to such instruments if the terms thereof provide therefor. If not and in relation to other capital providers in accordance with § 10(5) KWG (profit participation rights in the form of *Genussrechte* and *Genussscheine*), the replenishment will be effected in the same priority and in the same proportion as the sharing in Annual Balance Sheet Losses.

Principal Payments

No payments of principal will be made by the Bank other than on redemption of the Cumulative Profit Participation Securities and, where applicable, on any Additional Repayment Date (see “– Scheduled Redemption” and “– Additional Repayment Amounts and Dates”). At such time the Nominal Amount of the Cumulative Profit Participation Securities, subject to Reductions, if any, will be repaid (see “– Repayment Amount”).

Scheduled Redemption

The term of the Cumulative Profit Participation Securities will end on 31 December 2015 and the Repayment Amount (see “– Repayment Amount”) will fall due on the Repayment Date. The **Repayment Date** is the later of (i) 30 June 2016 or, if that is not a Business Day, the next Business Day, or (ii) if on 29 June 2016 the Bank's audited annual non-consolidated financial statements for the fiscal year ended 31 December 2015 have not been approved (*festgestellt*), the Business Day following such approval. No interest will accrue on the Nominal Amount from 31 December 2015 to the Repayment Date.

Repayment Amount

On the Repayment Date, the Bank will pay the Repayment Amount to the holder of the Cumulative Profit Participation Securities. The **Repayment Amount** corresponds to the Nominal Amount of the Cumulative Profit Participation Securities or, if any Reductions have occurred and have not been replenished before the Repayment Date, the book value of the Cumulative Profit Participation Securities.

Additional Repayment Amounts and Dates

Additional Repayment Amounts up to an amount corresponding to the difference between the Repayment Amount and the initial Nominal Amount of the Cumulative Profit Participation Securities will be payable if the requirements for a further replenishment of the Cumulative Profit Participation Securities' book value up to its initial amount of € 1,000 per Cumulative Profit Participation Security are

met in any one or more of the fiscal years of the Bank that follow the Repayment Date and that ends on or before 31 December 2019. Additional Repayment Amounts, if any, shall not bear interest.

Such Additional Repayment Amounts will be paid on 30 June of each year following a fiscal year with respect to which an Additional Repayment Amount is payable. Such payment may be delayed if the approval (*Feststellung*) of the Bank's financial statements for the relevant fiscal year or the payment of the Additional Repayment Amount payable by the Bank to the Issuer under the Cumulative Profit Participation Securities is delayed for any other reason.

Early Redemption

The Bank is entitled to repay the Cumulative Profit Participation Securities early if a German Tax Event, a Tax Refund Event, a German Gross-up Event or an Irish Gross-Up Event occurs (each as defined and as further set out in the "Terms and Conditions of the Cumulative Profit Participation Securities") so long as, in each case, the book value of the Cumulative Profit Participation Securities is not less than their Nominal Amount at the time of exercise of the call right. Any early repayment of the Cumulative Profit Participation Securities must be repaid to the Bank irrespective of any agreement to the contrary, unless (i) the capital has been replaced with other, at least equivalent regulatory banking capital (*haftendes Eigenkapital*) within the meaning of the KWG or (ii) the BaFin agrees to the early redemption.

Enforcement Rights

The Cumulative Profit Participation Securities constitute a legal relationship between the Bank and the holder thereof, the Issuer. Therefore only the Issuer (or its assignee) can enforce rights under the Cumulative Profit Participation Securities against the Bank. The Issuer has no duty to bring an action against the Bank in order to enforce its rights under the Cumulative Profit Participation Securities.

Compliance with German Banking Regulations

Under applicable German banking regulations, any repayment of the Cumulative Profit Participation Securities made in violation of their terms must be repaid to the Bank.

Place of Jurisdiction

Frankfurt am Main, Germany.

Governing Law

German.

Governing Language

German.

Summary of the Terms of the Loan Agreement

The following summary refers to certain provisions of the Loan Agreement. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Loan Agreement which may be found under "Terms of the Loan Agreement".

Parties

Dresdner Bank Aktiengesellschaft, Frankfurt am Main, a bank incorporated as a stock corporation (*Aktiengesellschaft*) under German law, as **Lender**.

UT2 Funding p.l.c., Dublin, Republic of Ireland, a public limited company established under the laws of Ireland as **Borrower**.

Loan Advances

On each date on which a Profit Distribution Payment becomes due, the Lender is required to pay an Advance to the Borrower in an amount corresponding to the withholding made by the Bank on account of German Withholding Tax on the relevant Profit Distribution Payment.

Repayment

The Borrower is required to repay outstanding Advances equal to the full amount of any Tax Refund Claims that it receives from the German tax authorities promptly upon receipt of the relevant payment (each such payment a **Repayment**).

Interest

The Borrower must pay interest to the Lender on each date that it makes a Repayment. The interest rate will be 5.07 per cent. *per annum* on any outstanding Advances.

Commitment Fee

26.5 bp (0.265 per cent.)

Place of Jurisdiction

Frankfurt am Main, Germany.

Governing Law

German.

Governing Language

German.

German Translation of the Summary

Zusammenfassung

Der folgende Abschnitt enthält eine Zusammenfassung (die **Zusammenfassung**) bestimmter wesentlicher Merkmale der der Ausgabe und dem Angebot der Wertpapiere zugrundeliegenden Transaktion, der Bedingungen der Wertpapiere, der Bedingungen der Kumulativen Genussscheine und bestimmter anderer wesentlicher Verträge. Diese Zusammenfassung ist als Einleitung zu diesem Prospekt zu verstehen. Sie erhebt keinen Anspruch auf Vollständigkeit, sondern ist den übrigen Angaben des Prospekts entnommen und ist ausschließlich in Verbindung mit dem übrigen Prospekt zu lesen. Anleger sollten ihre Entscheidung zur Anlage in die Wertpapiere auf die Prüfung des gesamten Prospekts stützen. Falls Ansprüche bezüglich der in diesem Prospekt enthaltenen Angaben vor einem Gericht geltend gemacht werden, ist der als Kläger auftretende Anleger in Anwendung der einzelstaatlichen Rechtsvorschriften des betreffenden Gerichts gegebenenfalls verpflichtet, die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen. Die Personen, die diese Zusammenfassung einschließlich ihrer Übersetzungen erstellt und ihre Notifizierung beantragt haben, tragen die zivilrechtliche Haftung hierfür, jedoch nur sofern die Zusammenfassung irreführend, fehlerhaft oder mit den übrigen Teilen des Prospekts unvereinbar ist.

Einleitende Zusammenfassung des Prospekts

*Die folgenden Absätze enthalten einen kurzen Überblick über die wichtigsten Merkmale der Transaktion (die **Transaktion**), die aus der Ausgabe der Wertpapiere durch die Emittentin und die Zahlung der daraus entstehenden Erlöse an die Bank im Gegenzug für den Kauf der von der Bank ausgegebenen Kumulativen Genussscheine von der Bank besteht.*

Die Emittentin beabsichtigt, die € 750.000.000 befristeten Ergänzungskapital-Wertpapiere auszugeben. Mit den Erlösen aus der Ausgabe der Wertpapiere wird die Emittentin die von der Bank ausgegebenen Kumulativen Genussscheine im Gesamtnennbetrag von € 750.000.000 erwerben. Zu diesem Zweck wird die Emittentin den Kaufpreis der Kumulativen Genussscheine in Höhe von € 750.000.000 in bar an die Bank zahlen.

Als Inhaber der Kumulativen Genussscheine stehen der Emittentin Gewinnausschüttungen (**Gewinnausschüttungen**) zu, die jährlich auf der Grundlage des Nennbetrags der Kumulativen Genussscheine für jedes Geschäftsjahr der Bank berechnet werden und jährlich nachträglich zahlbar sind (**Gewinnausschüttungszahlungen**), und zwar am (i) 30. Juni nach dem Ende des Geschäftsjahres der Bank, auf das sich die Gewinnausschüttung bezieht, oder (ii) falls am 29. Juni nach dem Ende des maßgeblichen Geschäftsjahres der nicht konsolidierte Jahresabschluss der Bank noch nicht festgestellt ist, am auf die Feststellung folgenden Geschäftstag (wie nachfolgend definiert), je nachdem, welcher Tag der spätere ist (wobei jeder dieser Tage ein **Fälligkeitstag** ist). Gewinnausschüttungen fallen nur an, falls und soweit die nicht konsolidierte Jahresbilanz der Bank gemäß anwendbaren Rechnungslegungsvorschriften in dem maßgeblichen Geschäftsjahr einen ausreichenden Bilanzgewinn (**Bilanzgewinn**) ausweist und soweit und solange der Buchwert der Kumulativen Genussscheine nicht herabgesetzt wird (siehe Seite 26). Nach den anwendbaren Rechnungslegungsvorschriften schließt der Bilanzgewinn den Jahresüberschuss oder -fehlbetrag ein, der bereinigt wurde um aus Vorjahren vorgetragene Gewinne/Verluste, Entnahmen aus Kapitalrücklagen und Entnahmen aus und Einstellungen in Gewinnrücklagen. Die Bank ist nicht verpflichtet, zur Vermeidung eines Bilanzverlusts stille Reserven aufzudecken oder bilanzielle Rücklagen aufzulösen. Falls der Bilanzgewinn der Bank nicht für Gewinnausschüttungen in voller Höhe ausreicht, können Gewinnausschüttungen für das maßgebliche Geschäftsjahr der Bank teilweise oder gar nicht anfallen. Solche nicht gezahlten Gewinnausschüttungen stellen **Ausgefallene Gewinnausschüttungen** dar. Ausgefallene Gewinnausschüttungen werden an dem jeweils folgenden Fälligkeitstag zahlbar, sofern die Bank in dem Geschäftsjahr, auf das sich die an diesem Fälligkeitstag zahlbare Gewinnausschüttungszahlung bezieht, einen ausreichenden Bilanzgewinn ausgewiesen hat, um die Ausgefallene Gewinnausschüttung und die an diesem Tag fällige Gewinnausschüttungszahlung zahlen zu können. Reicht ein solcher nachfolgender Bilanzgewinn nicht aus, wird die Bank Zahlungen zunächst auf die Ausgefallenen Gewinnausschüttungen und erst danach auf die aktuelle Gewinnausschüttung leisten. Alle Verpflichtungen der Bank, Gewinnausschüttungen und Ausgefallene Gewinnausschüttungen zu zahlen, entfallen, sofern sie bis spätestens zum Rückzahlungstag der Kumulative Genussscheine (der **Rückzahlungstag**, d. h. (i) der 30. Juni 2016 oder (ii) falls am 29. Juni 2016 der nicht konsolidierte Jahresabschluss der Bank für das am 31. Dezember 2015 beendete Geschäftsjahr noch nicht festgestellt ist, der auf die Feststellung folgende Geschäftstag, je nachdem, welcher Tag der spätere ist) aufgrund eines unzureichenden Bilanzgewinns nicht gezahlt wurden.

Außerdem nimmt die Emittentin als Inhaberin der Kumulativen Genussscheine an einem Bilanzverlust (wie in den „Terms and Conditions of the Cumulative Profit Participation Securities“ definiert) der Bank entsprechend dem Verhältnis ihres

Buchwerts am Ende der betreffenden Gewinnperiode zum Gesamtbuchwert aller aufsichtsrechtlichen Eigenkapitalanteile der Bank teil, die an einem Bilanzverlust der Bank teilnehmen (einschließlich der aufsichtsrechtlichen Eigenkapitalanteile der Bank, die sich zu dem relevanten Zeitpunkt aufgrund zeitlicher oder volumenmäßiger Beschränkungen aus aufsichtsrechtlicher Sicht nicht oder nicht mehr als Eigenkapital qualifizieren). In diesem Fall wird der Rückzahlungsbetrag (wie nachfolgend definiert) der Kumulativen Genussscheine um die Höhe des jeweiligen Anteils ihres Buchwerts an dem jeweiligen Bilanzverlust herabgesetzt (**Herabsetzung**). Nach einer Herabsetzung wird der Buchwert der Kumulativen Genussscheine in jedem der Herabsetzung nachfolgenden Geschäftsjahr (vorrangig vor Dividendenzahlungen und anderen Ausschüttungen auf das Grundkapital und Einstellungen in die Rücklagen (mit Ausnahme der gesetzlichen Rücklage) und vorrangig in Bezug auf Kapitalgeber nach § 10 Abs. 4 KWG (Vermögenseinlagen stiller Gesellschafter), wenn die Bedingungen dieser Instrumente dies vorsehen) bis zur Höhe ihres ursprünglichen Nennbetrages von € 1.000 wieder aufgefüllt, soweit hierdurch kein Bilanzverlust in den nicht konsolidierten Abschlüssen der Bank für das betreffende Geschäftsjahr entsteht oder erhöht würde. Ein **Bilanzverlust** liegt dann vor, wenn die nicht konsolidierte Jahresbilanz der Bank nach Prüfung durch eine von der BaFin anerkannte Wirtschaftsprüfungsgesellschaft keinen Bilanzgewinn für das Geschäftsjahr, auf das sich die betreffende Gewinnausschüttung bezieht, ausweist. Gewinnausschüttungen werden erst nach einer vollständigen Auffüllung des Buchwerts der Kumulativen Genussscheine auf jeweils € 1.000 gezahlt. Liegt der Buchwert der Kumulativen Genussscheine am Rückzahlungstag unter ihrem ursprünglichen Nennbetrag, so erfolgt die Rückzahlung am Rückzahlungstag zum niedrigeren Buchwert. Den Inhabern der Kumulativen Genussscheine stehen zusätzliche Rückzahlungsbeträge bis zur Höhe der Differenz zwischen dem Rückzahlungsbetrag am Rückzahlungstag und dem ursprünglichen Nennbetrag der Kumulativen Genussscheine zu, falls in einem oder mehreren auf den Rückzahlungstag folgenden Geschäftsjahren der Bank, die am oder vor dem 31. Dezember 2019 enden, die Voraussetzung einer weiteren Wiederauffüllung des Buchwertes der Kumulativen Genussscheine bis zur Höhe ihres ursprünglichen Nennbetrages von jeweils € 1.000 vorliegen. Solche zusätzlichen Rückzahlungsbeträge werden gezahlt (i) am 30. Juni nach dem Ende des betreffenden Geschäftsjahres der Bank, auf das sich die weitere Auffüllung bezieht, oder (ii) falls am 29. Juni nach dem Ende des betreffenden Geschäftsjahres der nicht konsolidierte Jahresabschluss der Bank noch nicht festgestellt ist, am auf die Feststellung folgenden Geschäftstag gezahlt, je nachdem, welcher Tag der spätere ist (jeweils ein **Zusätzlicher Rückzahlungstag**). Jedoch erlöschen alle weiteren Ansprüche auf Rückzahlung der Kumulativen Genussscheine in Bezug auf eine Herabsetzung, die am 31. Dezember 2019 endenden Geschäftsjahres der Bank noch bestehen.

Die Zahlungsverpflichtungen der Bank aufgrund der Kumulativen Genussscheine im Falle der Insolvenz oder Liquidation sind (i) nachrangig gegenüber Forderungen aller gegenwärtigen und künftigen Gläubiger der Bank (mit Ausnahme der unter (ii) und (iii) genannten Gläubiger), (ii) (prozentual zum fälligen Betrag) mindestens gleichrangig mit allen Forderungen auf Rückzahlung von oder Ausschüttungen auf Genussrechte(n) oder Genussscheine(n) und ggf. anderen Kapitalinstrumenten des Ergänzungskapitals sowie sonstigen nachrangigen Verbindlichkeiten gemäß § 10 Abs. 5 und 5a KWG und (iii) vorrangig vor (y) allen Forderungen auf Ausschüttungen auf und Rückzahlung von Kapitaleinlagen, die in Bezug auf bestehende und künftige stille Beteiligungen in die Bank eingebracht wurden, sowie (z) allen Forderungen gegen die Bank, die gleichrangig mit den Forderungen unter (y) sind oder als mit diesen gleichrangig bezeichnet werden; und vorrangig vor allen Forderungen von Anteilseignern der Bank im Zusammenhang mit ihren Anteilen am Grundkapital der Bank.

Gewinnausschüttungszahlungen unterliegen der Kapitalertragsteuer zuzüglich Solidaritätszuschlag (**Kapitalertragsteuer**), die von der Bank einzubehalten und an die deutschen Steuerbehörden abzuführen ist. Die Emittentin (als Gesellschaft mit Steuersitz in Irland) erwartet, dass sie Anspruch auf Erstattung von Ansprüchen gegen die deutschen Steuerbehörden (**Steuererstattungsansprüche**) hat. Da Steuererstattungsansprüche erst nach dem Fälligkeitstag für die Zinszahlung auf die Wertpapiere fällig werden, auf die sich die Gewinnausschüttungszahlung bezieht, von der der Einbehalt vorgenommen wird, wird die Emittentin am oder um den 18. Juli 2006 einen Darlehensvertrag (der **Darlehensvertrag**) mit der Bank (in dieser Eigenschaft die **Darlehensgeberin**) abschließen. Nach dem Darlehensvertrag erhält die Emittentin Darlehensauszahlungen (jeweils eine **Darlehensauszahlung**), um ihre Verpflichtungen zur Leistung von Zinszahlungen auf die Wertpapiere zu erfüllen. Die Emittentin geht davon aus, die Darlehensauszahlungen mit den aufgrund von Steuererstattungsansprüchen erhaltenen Geldern zurückzuzahlen.

Außerdem werden die Bank und die Emittentin eine Freistellungsvereinbarung (die **Freistellungsvereinbarung**) abschließen, gemäß der die Bank verpflichtet ist, für eine etwaige Abzugssteuer nach irischem Recht auf Zahlungen auf die Wertpapiere Zahlungen (**Freistellungszahlungen**) an die Emittentin zu leisten. Die Emittentin hat sich verpflichtet, die Freistellungszahlungen dazu zu verwenden, ihre Verpflichtungen aus den Wertpapieren im Hinblick auf Zahlungen zum Ausgleich dieser Steuern zu erfüllen.

Die Zahlung von Kapital und Zinsen auf die Wertpapiere stehen unter dem Vorbehalt, dass die Emittentin (i) Gewinnausschüttungszahlungen und/oder den Rückzahlungsbetrag auf die Kumulativen Genussscheine (der **Rückzahlungsbetrag**) von der Bank, (ii) Darlehensauszahlungen von der Darlehensgeberin gemäß dem Darlehensvertrag und (iii) gegebenenfalls

Zahlungen von der Bank gemäß der Freistellungsvereinbarung erhält. Somit sind Zahlungen aus den Wertpapieren an Gewinnausschüttungszahlungen und die Zahlung des Rückzahlungsbetrages gekoppelt, die jeweils vom Finanzergebnis der Bank abhängen. Die Verpflichtung der Emittentin, Zinszahlungen und Tilgungszahlungen (**Tilgungszahlungen**) auf die Wertpapiere zu leisten, hängt damit von der Finanzlage und den Geschäftsergebnissen der Bank ab.

Gemäß dem Treuhänderischen Abtretungsvertrag zwischen der Emittentin, der Bank, der Darlehensgeberin und dem Sicherheitentreuhänder wird die Emittentin ihr Eigentum an der Globalurkunde über die Kumulativen Genussscheine an den Sicherheitentreuhänder abtreten und übertragen und wird alle ihre Ansprüche gegen die Darlehensgeberin aus dem Darlehensvertrag und alle ihre Ansprüche gegen die Bank aus der Freistellungsvereinbarung zugunsten der Emissionsgläubiger an den Sicherheitentreuhänder abtreten.

Die Bank beabsichtigt, die Erlöse aus der Ausgabe der Kumulativen Genussscheine als Ergänzungskapital für Zwecke der Einhaltung aufsichtsrechtlicher Eigenmittelvorschriften auf Instituts- und Gruppenebene zu behandeln. Für weitere Informationen über die für die Bank und ihre konsolidierten Tochterunternehmen geltenden aufsichtsrechtlichen Vorschriften zur Kapitalausstattung, siehe Abschnitt „Regulation“.

Zusammenfassung bezüglich der Emittentin

Die Emittentin wurde am 19. Juni 2006 unter der Firma UT2 Funding p.l.c. mit der Registernummer 422060 gegründet.

Das genehmigte Grundkapital der Emittentin beträgt EUR 40.000, eingeteilt in 40.000 Stammaktien zum Nennwert von jeweils EUR 1 (die **Aktien**). Die Emittentin hat 40.000 Aktien ausgegeben, die alle voll eingezahlt sind und treuhänderisch von CCT Corporate Nominees Limited (der **Aktientreuhänder**) gemäß den Bedingungen einer Treuhanderklärung (die **Treuhandklärung**), die am oder um den 18. Juli 2006, geschlossen wurde gehalten werden, nach deren Maßgabe der Aktientreuhänder die Aktien in einem gemeinnützigen Treuhandverhältnis hält. Der Aktientreuhänder hat keine wirtschaftliche Beteiligung an den von ihm gehaltenen Aktien und zieht (mit Ausnahme seines Honorars als Aktientreuhänder) keinen Nutzen daraus. Der Aktientreuhänder wird alle von der Emittentin erhaltenen Erträge ausschließlich für die vorgenannten Zwecke verwenden.

Der Hauptgeschäftszweck der Emittentin ist die Anlage in von der Bank ausgegebenen Genussscheinen und zu diesem Zweck die Aufnahme von Kapital durch die Ausgabe von Schuldverschreibungen sowie die Vornahme bestimmter damit verbundener Tätigkeiten. Die Emittentin ist weiterhin berechtigt, jegliche Nebengeschäfte zu tätigen, die der Förderung des vorgenannten Hauptgeschäftszweckes dienen.

Die Haupttätigkeiten der Emittentin beziehen sich auf den in der Satzung festgelegten Hauptgeschäftszweck.

Zusammenfassung bezüglich der Dresdner-Bank-Gruppe

Die Dresdner Bank, gemeinsam mit ihren Tochtergesellschaften, (die **Dresdner-Bank-Gruppe** oder die **Gruppe**) bietet eine große Bandbreite an Privatbank-, Geschäftsbank- und Investmentbankprodukten sowie Dienstleistungen für Unternehmen, öffentliche Stellen und Privatkunden vorwiegend auf dem europäischen Markt an. Gemessen an ihrer Bilanzsumme zum 31. Dezember 2005 ist die Dresdner Bank eine der größten Geschäftsbanken Deutschlands. Die Dresdner Bank ist eine 100%ige Tochtergesellschaft der Allianz AG, die zusammen mit ihren Tochtergesellschaften (die **Allianz Group**) ein internationaler integrierter Finanzdienstleister in den Bereichen Versicherung, Vermögensmanagement und Bankdienstleistungen ist, wobei die Dresdner-Bank-Gruppe in der Allianz Group für das Kompetenzzentrum Bankgeschäft steht. Die Anteile an der Dresdner Bank werden mittelbar von der Allianz AG gehalten.

Die Dresdner Bank bietet ihre Dienstleistungen und Produkte im Wesentlichen über ihre 959 Geschäftsstellen, von denen sich 906 in Deutschland und 53 im Ausland befinden, an. Bis zum 31. Dezember 2005 unterteilte die Gruppe ihr Geschäft in vier strategische Unternehmensbereiche: Personal Banking, Private & Business Banking, Corporate Banking und Dresdner Kleinwort Wasserstein (**DrKW**). Diese wurden ergänzt durch die Segmente Corporate Investments und Consolidation & Adjustments, während die nicht strategische Institutional Restructuring Unit (**IRU**) zum 30. September 2005 geschlossen wurde.

- *Personal Banking* erbrachte personalisierte Finanzdienstleistungen, wie zum Beispiel Zahlungsverkehr, Finanzierungen, Anlageberatung, Finanzplanung und Versicherungsprodukte.
- *Private & Business Banking* ermöglichte seiner weltweiten Kundenbasis den Zugang sowohl zu einer Bandbreite von Private-Banking-Services, wie beispielsweise Wealth-Management, Portfolio-Management, Immobilienanlageberatung sowie Stiftungen und Vermögensplanung, als auch zu Business-Banking-Beratungsleistungen, um Geschäftskunden bei ihren privaten und geschäftlichen Belangen umfassend und maßgeschneidert zu unterstützen.
- *Corporate Banking* bot Firmenkredite, strukturierte Finanzierungen sowie Leistungen im Bereich Treasury, Wertpapiere und Versicherungen und erbrachte für Firmenkunden Lösungen für das Cash-Management, den Zahlungsverkehr und Dokumentation sowie Beratung im Bereich der betrieblichen Altersvorsorge.
- *DrKW* erbrachte Corporate-Finance-Beratungsleistungen in den Bereichen Mergers & Acquisitions, Unternehmensveräußerungen, Restrukturierungen und anderen strategischen Aufgabenstellungen, begleitete Wertpapieremissionen und bot Market-Making, Verbriefungen, Portfolio-Management und andere Kapitalmarktprodukte und Dienstleistungen.
- *IRU* wurde zum 30. September 2005 geschlossen, nachdem die Aufgabe, Risikokapital durch die Rückführung risikogewichteter Aktiva freizusetzen, erfolgreich beendet wurde.
- *Corporate Investments* umfasste Finanzanlagebestände und fremdgenutzte Grundstücke und Gebäude, die die Gruppe nach ihrer strategischen Neuausrichtung nicht länger als Teil des Kerngeschäfts erachtete. Die Gruppe strebt an, diese Bestände im Zuge gezielter Desinvestitionen zu reduzieren.

- *Consolidation & Adjustments* wies Ergebniskomponenten aus, die den operativen Unternehmensbereichen nicht unmittelbar zugeordnet werden oder auf Entscheidungen zurückgehen, die den Gesamtkonzern betreffen.

Während der ersten Jahreshälfte 2006 hat die Gruppe ihre Geschäftstätigkeit reorganisiert.

Im neu gebildeten Unternehmensbereich Private & Corporate Clients ist das gesamte Angebot aus den Geschäftsfeldern Personal Banking und Private & Business Banking zusammengeführt. Dieser Bereich wird zusätzlich für die mittelständischen Geschäftskunden und Firmenkunden verantwortlich sein, welche bislang im Bereich Corporate Banking betreut wurden.

Der Unternehmensbereich Investment Banking wird in die Dresdner Bank integriert und künftig unter dem kommerziellen Namen „Dresdner Kleinwort“ geführt werden und aus den Bereichen Global Banking und Capital Markets bestehen. Dresdner Kleinwort wird kapitalmarktaffine deutsche und internationale Konzerne sowie Institutionen betreuen. Durch Dresdner Kleinwort will die Gruppe die Kapitalmarktaktivitäten weiterentwickeln. Das Kapitalmarktgeschäft spielt eine zentrale Rolle als Produktschmiede für die Gesamtbank, unter anderem mit strukturierten Anlageprodukten für private Investoren sowie Risikoabsicherungsinstrumenten für den Mittelstand und für Konzerne.

In dem neuen Unternehmensbereich Business Services werden die Geschäftsverarbeitung sowie interne Dienstleistungen, z. B. in den Bereichen IT, Personal und Transaktionsbegleitung, gebündelt.

Ferner errichtete die Gruppe das Segment Corporate Other. Dieses umfasst – ähnlich wie beim früheren Segment Consolidation & Adjustments – Erträge und Aufwendungen, die keinem operativen Unternehmensbereich der Dresdner Bank zugeordnet werden, und bestimmte zentrale Funktionen wie Finanzen, Risikomanagement, Marketing & Kommunikation sowie interne Revision. Zu den oben genannten Erträgen und Aufwendungen zählen insbesondere Einflüsse aus der Rechnungslegung für derivative Finanzinstrumente, die nicht im Hedge Accounting berücksichtigt werden können, Aufwendungen für Länderrisikovorsorge und Pauschalwertberichtigungen sowie realisierte Gewinne und Verluste aus dem nichtstrategischen Beteiligungsportfolio der Dresdner Bank. Da die verbleibenden nichtstrategischen Beteiligungen der Gruppe nun im Corporate Other Segment zusammengefasst sind, wird die Gruppe im Gegensatz zu den vergangenen Jahren kein Corporate Investments Segment mehr aufweisen.

Zusammenfassung der Risikofaktoren

Potenzielle Käufer der in diesem Prospekt angebotenen Wertpapiere sollten vor dem Erwerb der Wertpapiere ihre aktuelle finanzielle Situation und ihre Anlageziele berücksichtigen und die Eignung der Wertpapiere unter Berücksichtigung ihrer persönlichen Umstände in jedem Fall mit ihren Finanz-, Rechts- und Steuerberatern erörtern.

Sollten sich einzelne oder mehrere dieser Risiken realisieren, könnte dies zu einem erheblichen und langfristigen Preisverlust der Wertpapiere oder im Extremfall auch zum Totalverlust der Zinsen und des vom Anleger eingesetzten Kapitals führen.

Risikofaktoren bezüglich der Bank und der Dresdner-Bank-Gruppe

Die Finanzlage sowie die Geschäftsergebnisse der Bank und der Dresdner-Bank-Gruppe können durch die Verwirklichung bestimmter Risiken erheblich negativ beeinflusst werden; hierzu zählen unter anderem insbesondere folgende Risiken (soweit sich die aufgezeigten Risikofaktoren auf die Dresdner-Bank-Gruppe beziehen, ist zu beachten, dass sie für die Dresdner Bank ebenso gelten):

- Die Zinsvolatilität kann sich nachteilig auf die Geschäftsergebnisse der Dresdner-Bank-Gruppe auswirken;
- Marktrisiken könnten den Wert des Portfolios der Gruppe vermindern und sich nachteilig auf ihre Finanzlage und Geschäftsergebnisse auswirken;
- die Gruppe ist im erheblichen Maße Kontrahentenrisiken ausgesetzt;
- Änderungen bestehender Gesetze und Regeln sowie neue Gesetze und Regeln oder Initiativen zu deren Durchsetzung in den Ländern, in denen die Dresdner-Bank-Gruppe tätig ist, können sich wesentlich auf die Gruppe auswirken und könnten die Geschäftstätigkeit beeinträchtigen;
- die Geschäftstätigkeit der Gruppe kann durch negative Berichterstattung, regulatorische Maßnahmen oder Gerichtsverfahren in Bezug auf die Dresdner-Bank-Gruppe, andere bekannte Unternehmen und die Finanzbranche im Allgemeinen beeinträchtigt werden;

- Wertschwankungen zwischen dem Euro und anderen Währungen, in denen die Gruppe Erlöse erzielt und Aufwendungen hat, können das berichtete Ergebnis und den Cash-Flow nachteilig beeinflussen;
- lang anhaltende Marktschwächen können die Liquidität im Markt senken und den Verkauf von Vermögenswerten erschweren, was zu erheblichen Verlusten für die Gruppe führen kann;
- sofern Verluste durch Geschäfte für Rechnung von Kunden der Dresdner-Bank-Gruppe anfallen, kann es sein, dass diese Kunden die Verluste nicht ausgleichen, was zu erheblichen Verlusten für die Gruppe sowie zur Beeinträchtigung ihres Ansehens führen kann;
- die Erlöse der Gruppe aus dem Investment Banking können aufgrund ungünstiger Marktverhältnisse oder ungünstiger wirtschaftlicher Bedingungen sinken;
- die Erlöse der Dresdner-Bank-Gruppe aus dem Wertpapierkommissions-, anderen Kommissionsgeschäften sowie Geschäften, aus denen sie Provisionen erhält, können sinken; und
- intensiver Wettbewerb, insbesondere im deutschen Heimatmarkt der Gruppe, in dem sie den Großteil ihres Geschäfts tätigt, kann die Erlöse und die Profitabilität der Gruppe erheblich mindern.

Zusammenfassung bezüglich der Risiken in Verbindung mit den Wertpapieren

Eine Anlage in den Wertpapieren ist mit bestimmten Risiken im Zusammenhang mit den Eigenschaften der Wertpapiere verbunden, die zu erheblichen Verlusten führen könnten, welche die Emissionsgläubiger im Falle eines notwendigen Verkaufs der Wertpapiere oder in Bezug auf den Erhalt von Zinszahlungen und der Kapitalrückzahlungen möglicherweise tragen müssen. Zu diesen Risiken zählen folgende:

- Zinszahlungen auf die Wertpapiere hängen vom Gewinn der Bank ab und fallen nicht an, (i) falls und soweit dies gemäß anwendbaren Rechnungslegungsvorschriften zu einem Bilanzverlust im geprüften, nicht konsolidierten Jahresabschluss der Bank führen oder einen solchen erhöhen würde oder (ii) wenn der Buchwert der Kumulativen Genussscheine aufgrund einer Verlustbeteiligung in der Vergangenheit unter ihrem Nennbetrag liegt. Daraus resultierende Zinsrückstände können in Folgejahren zahlbar werden; Ansprüche auf etwaige am Rückzahlungstag nicht zahlbare Zinsrückstände erlöschen.
- Die Rückzahlung des Kapitals der Wertpapiere hängt vom Buchwert der Kumulativen Genussscheine ab, der in der geprüften, nicht konsolidierten Jahresbilanz der Bank ausgewiesen ist, die sich auf die Geschäftsjahre der Bank beziehen, welche (i) dem Rückzahlungstag und (ii) jedem späteren zusätzlichen Rückzahlungstag unmittelbar vorausgehen. Falls der an allen diesen Tagen ermittelte Buchwert der Kumulativen Genussscheine unter ihrem Nennbetrag liegt, werden die Emissionsgläubiger einen entsprechenden Verlust aus ihrer Anlage erleiden.
- Alle Zahlungen auf die Wertpapiere sind dadurch bedingt, dass die Emittentin entsprechende Beträge von der Bank aus den Kumulativen Genussscheinen, ggf. der Freistellungsvereinbarung und dem Darlehensvertrag tatsächlich erhält.
- Die Wertpapiere können vor der vorgesehenen Fälligkeit vorzeitig gekündigt werden. Neben den in den Emissionsbedingungen der Wertpapiere und der Kumulativen Genussscheine sowie den Vereinbarungen bezüglich der Ausgabe der Wertpapiere und der Kumulativen Genussscheine ausdrücklich genannten Kündigungsrechte können nach deutschem Recht auch außerordentliche Kündigungsrechte bestehen, die vertraglich nicht ausgeschlossen werden können.
- Die Wertpapiere stellen (mit Ausnahme des gemäß dem Treuhänderischen Abtretungsvertrag zugunsten der Emissionsgläubiger geschaffenen Sicherungsrechts) nicht besicherte Verbindlichkeiten der Emittentin dar.
- Ansprüche aus den Kumulativen Genussscheinen sind nachrangig. Im Falle der Liquidation oder Insolvenz der Bank würden die Ansprüche der Emissionsgläubiger den Liquidationserlösen entsprechen, welche die Emittentin für die Kumulativen Genussscheine erhält, die gegenüber den Ansprüchen aller nicht nachrangigen Gläubiger der Bank nachrangig wären.
- In Bezug auf die Höhe der möglichen Verschuldung der Emittentin oder der Bank gibt es keine Einschränkung.
- Vor ihrer Ausgabe gab es keinen öffentlichen Markt für die Wertpapiere und es kann nicht zugesichert werden, dass sich ein aktiver öffentlicher Markt für die Wertpapiere entwickeln wird.

Zusammenfassung der Risiken in Verbindung mit der Emittentin

Die Emittentin ist eine Zweckgesellschaft und nicht mit der Bank verbunden. Die Vermögenswerte der Emittentin werden ausschließlich aus den Ansprüchen aus den Kumulativen Genussscheinen, dem Darlehensvertrag und der Freistellungsvereinbarung bestehen. Es kann nicht zugesichert werden, dass die Emittentin ausreichende Mittel erzielen wird, um die Zahlungsansprüche der Emissionsgläubiger aus den Wertpapieren zu befriedigen. Insbesondere garantiert der Treuhänderische Abtretungsvertrag zwischen der Emittentin, der Bank, der Darlehensgeberin und dem Sicherheitstreuhänder nicht die fristgerechte Zahlung auf die vorgenannten Ansprüche.

Zusammenfassung des Angebots

Der folgende Überblick beschreibt die wichtigsten Elemente des Angebots und der Transaktion. Er ist naturgemäß unvollständig. Anleger sollten unbedingt die gesamte Zusammenfassung und den vollständigen Text des Prospekts sorgfältig lesen, einschließlich der „Terms and Conditions of the Securities“, der „Terms of the Cumulative Profit Participation Securities“ und der „Terms of the Loan Agreement“, um eine genauere Beschreibung der angebotenen Wertpapiere zu erhalten.

Angebotene Wertpapiere

€ 750.000.000 befristete Ergänzungskapital-Wertpapiere; siehe („Zusammenfassung der Bedingungen der Wertpapiere“).

Emittentin

UT2 Funding p.l.c., eine am 19. Juni 2006 nach dem Recht Irlands gegründete Aktiengesellschaft (*public limited company*).

Zweck der Emittentin

Neben dem Kauf und Besitz der Kumulativen Genussscheine (siehe „Zusammenfassung der Bedingungen der Kumulativen Genussscheine“), dem Abschluss von Nebenvereinbarungen zu der Transaktion und der Ausgabe der Wertpapiere wird die Emittentin mit Ausnahme der Verbindlichkeiten, die zur Fortführung ihres Geschäftsbetriebs absolut unerlässlich sind, keine weiteren Verbindlichkeiten eingehen. Siehe „General Information on the Issuer“.

Die Bank

Dresdner Bank Aktiengesellschaft, Frankfurt am Main, eine nach deutschem Recht als Aktiengesellschaft gegründete Bank.

Kumulative Genussscheine

Mit den Erlösen aus der Ausgabe der Wertpapiere wird die Emittentin die von der Bank ausgegebenen Kumulativen Genussscheine im Gesamtnennbetrag von € 750.000.000 kaufen; siehe „Zusammenfassung der Bedingungen der Kumulativen Genussscheine“.

Darlehensvertrag

Nach Maßgabe des Darlehensvertrags wird die Bank (in dieser Eigenschaft die **Darlehensgeberin**) an die Emittentin Darlehensauszahlungen in Höhe der betreffenden Einbehalte aufgrund von Kapitalertragsteuer auf die Gewinnausschüttungszahlungen und Zahlungen auf ausgefallene Gewinnausschüttungen leisten. Die Emittentin wird die Darlehensauszahlungen dazu verwenden, ihre Verpflichtungen zur Leistung von Zinszahlungen auf die Wertpapiere zu erfüllen. Die Emittentin geht davon aus, die Darlehensauszahlungen mit den aufgrund von Steuererstattungsansprüchen erhaltenen Geldern zurückzuzahlen. Siehe „Zusammenfassung der Bedingungen des Darlehensvertrages“.

Freistellungsvereinbarung

Nach Maßgabe der Freistellungsvereinbarung ist die Bank verpflichtet, für etwaige im Hinblick auf Zahlungen auf die Wertpapiere anfallende Quellensteuern in Irland Zahlungen an die Emittentin zu leisten. Die Emittentin wird die aufgrund der Freistellungsvereinbarung geleisteten Zahlungen verwenden, um ihre Verpflichtung zu erfüllen, etwaige Zusätzliche Beträge auf die Wertpapiere zu zahlen.

Treuhänderischer Abtretungsvertrag

Gemäß dem Treuhänderischen Abtretungsvertrag erfolgt eine Abtretung und Übertragung der Eigentumsanteile der

Emittentin an der Globalurkunde über die Kumulativen Genussscheine sowie aller gegenwärtigen und zukünftigen Zahlungsansprüche aus dem Darlehensvertrag und der Freistellungsvereinbarung an den Sicherheitentreuhänder zugunsten der Emissionsgläubiger. Siehe „Description of the Fiduciary Assignment Agreement“.

Citibank, N.A.

Citigroup Global Markets Deutschland AG & Co. KGaA.

Citibank International plc.

Arthur Cox Listing Services Limited

HSBC Trustee (C.I.) Limited.

Die Billigung dieses Prospekts wurde bei der Irish Financial Services Regulatory Authority als der nach Maßgabe der Prospektrichtlinie zuständigen Behörde beantragt. Die Zulassung der Wertpapiere zur amtlichen Notierung (*Official List*) und zum Handel im geregelten Markt wurde bei der Irischen Börse beantragt. Außerdem ist beabsichtigt, die Notierung der Wertpapiere am Amtlichen Markt der Frankfurter Wertpapierbörse zu beantragen.

ISIN: DE000A0GVS76.

WKN: A0GVS7.

Common Code: 026189004.

Hauptzahlstelle

Deutsche Zahlstelle

Irische Zahlstelle

Irischer Listing Agent

Sicherheitentreuhänder

Notierung

Wertpapierkennzahlen

Zusammenfassung der Bedingungen der Wertpapiere

Die folgende Zusammenfassung bezieht sich auf bestimmte Bedingungen der Wertpapiere. Ein Anspruch auf Vollständigkeit der Zusammenfassung wird nicht erhoben. Die Zusammenfassung unterliegt und beruht in ihrer Gesamtheit auf den Emissionsbedingungen der Wertpapiere, die sich unter „Terms and Conditions of the Securities“ finden.

Emittentin	UT2 Funding p.l.c., eine am 19. Juni 2006 nach dem Recht Irlands gegründete Aktiengesellschaft (<i>public limited company</i>).
Nennbetrag	€ 1.000 pro Wertpapier.
Gesamtnennbetrag	€ 750.000.000.
Ausgabepreis	100 Prozent des Nennbetrages
Form	Die Wertpapiere werden zunächst durch eine vorläufige auf den Inhaber lautende Globalschuldverschreibung (die Vorläufige Globalurkunde) ohne Zinsscheine verbrieft, die in eine endgültige auf den Inhaber lautende Global-schuldverschreibung (Dauerglobalurkunde) ohne Zinsscheine ausgetauscht wird, und zwar gegen Nachweis über das Nichtbestehen US-amerikanischen wirtschaftlichen Eigentums (<i>U. S. beneficial ownership</i>) an den Wertpapieren.
Ausgabetag	20. Juli 2006.
Status	Die Wertpapiere begründen unmittelbare, nicht nachrangige und (mit Ausnahme der gemäß dem Treuhänderischen Abtretungsvertrag zugunsten der Emissionsgläubiger geschaffenen Sicherheit) nicht besicherte bedingte Verbindlichkeiten der Emittentin und sind untereinander gleichrangig und mindestens gleichrangig mit allen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin, soweit zwingendes Gesetzesrecht nichts anderes vorschreibt.
Beschränkter Rückgriff	Die Wertpapiere stellen Verbindlichkeiten der Emittentin mit beschränktem Rückgriff dar. Alle Zahlungen auf die Wertpapiere sind auf die Beträge beschränkt, welche die Emittentin aus den Kumulativen Genussscheinen, dem Darlehensvertrag und der Freistellungsvereinbarung tatsächlich erhält, wie im Abschnitt „Terms and Conditions of the Securities“ ausführlich beschrieben.
Zinszahlungen	Zinsen auf den Nennbetrag der Wertpapiere laufen ab einschließlich dem Ausgabetag bis zum 30. Juni 2016 für jede Zinsperiode in Höhe von 5,321 % p. a. auf und sind jährlich nachträglich an jedem Fälligkeitstag (wie nachfolgend definiert) zahlbar. Zinszahlungen stehen unter dem Vorbehalt, dass die Emittentin von der Bank Gewinnausschüttungszahlungen aus den Kumulativen Genussscheinen (nach Abzug der Kapitalertragsteuer) (siehe „Zusammenfassung der Bedingungen der Kumulativen Genussscheine – Gewinnausschüttungszahlungen und -tage“), von der Darlehensgeberin Darlehensauszahlungen aus dem Darlehensvertrag (siehe „Zusammenfassung der Bedingungen des Darlehensvertrages – Darlehensauszahlungen“) und von der Bank Zahlungen aus der Freistellungsvereinbarung (siehe „Zusammenfassung des Ange-

bots – Freistellungsvereinbarung“) erhält. Falls die Emittentin nicht in der Lage ist, eine Zinszahlung an einem Fälligkeitstag ganz oder teilweise zu leisten, weil die ansonsten an diesem Fälligkeitstag zahlbaren Gewinnausschüttungen auf die Kumulativen Genussscheine ganz oder teilweise ausgeschlossen sind (siehe „Zusammenfassung der Bedingungen der Kumulativen Genussscheine – Ausschluss von Gewinnausschüttungen“), wird die Emittentin diese Zinszahlungen nachholen, falls, wenn und soweit sie von der Bank an oder vor dem Rückzahlungstag Zahlungen für Ausgefallene Gewinnausschüttungen erhält (siehe „Zusammenfassung der Bedingungen der Kumulativen Genussscheine – Ausgefallene Gewinnausschüttungen“). Die Emittentin ist nicht verpflichtet, Zahlungen an Emissionsgläubiger zu leisten, die über Gewinnausschüttungen oder Nachzahlungen Ausgefallener Gewinnausschüttungen, Darlehensauszahlungen aus dem Darlehensvertrag und Zahlungen aus der Freistellungsvereinbarung, die sie tatsächlich erhalten hat, hinausgehen.

Zinsberechnungsmethode

Zinsen für einen Zeitraum von weniger als einem Jahr werden auf Grundlage der Anzahl der tatsächlich vergangenen Tage des Zinsberechnungszeitraums geteilt durch die Anzahl der Tage (365 oder 366) in dem jeweiligen Zinsjahr berechnet.

Fälligkeitstage

Zinszahlungen auf die Wertpapiere erfolgen an den Tagen, an denen gegebenenfalls Gewinnausschüttungszahlungen auf die Kumulativen Genussscheine an die Emittentin gezahlt werden. Fälligkeitstag für Gewinnausschüttungszahlungen auf die Kumulativen Genussscheine ist der 30. Juni in jedem Jahr, beginnend mit dem 30. Juni 2007. Gewinnausschüttungszahlungen und somit Zinszahlungen können in jedem Jahr verschoben werden, wenn die Feststellung der nicht konsolidierten Jahresabschlüsse der Bank für das Geschäftsjahr, auf das die betreffende Gewinnausschüttungszahlung sich bezieht, verschoben wird (siehe „Zusammenfassung der Bedingungen der Kumulativen Genussscheine – Gewinnausschüttungszahlungen und -tage“).

Rückzahlungstag und Rückzahlungsbetrag

Die Wertpapiere werden am 30. Juni 2016 zur Rückzahlung fällig. Die Rückzahlung kann verschoben werden, wenn die Feststellung der Abschlüsse der Bank für das Geschäftsjahr zum 31. Dezember 2015 oder die Zahlung des von der Bank an die Emittentin zu zahlenden Rückzahlungsbetrags aus den Kumulativen Genussscheinen aus einem anderen Grunde verschoben wird. In diesem Fall werden die Wertpapiere an dem Tag zurückgezahlt, an dem die Kumulativen Genussscheine zurückgezahlt werden. Siehe „Zusammenfassung der Bedingungen der Kumulativen Genussscheine – Rückzahlungstag“.

Der Tilgungsbetrag entspricht dem Rückzahlungsbetrag (vorbehaltlich dessen Erhalt durch die Emittentin), der von der Bank auf die Kumulativen Genussscheine zu zahlen

ist (siehe „Zusammenfassung der Bedingungen der Kumulativen Genussscheine – Rückzahlung“).

Zusätzliche Rückzahlungsbeträge und -tage

Zusätzliche Rückzahlungsbeträge bis zur Höhe der Differenz zwischen dem Rückzahlungsbetrag und dem anfänglichen Nennbetrag der Kumulativen Genussscheine sind fällig, falls in einem oder mehreren auf den Rückzahlungstag folgenden Geschäftsjahren der Bank, die am oder vor dem 31. Dezember 2019 enden, die Voraussetzung einer weiteren Wiederauffüllung des Buchwertes der Kumulativen Genussscheine bis zur Höhe ihres anfänglichen Betrages von € 1.000 pro Kumulativen Genussschein vorliegen. Etwaige Zusätzliche Rückzahlungsbeträge werden nicht verzinst.

Solche Zusätzlichen Rückzahlungsbeträge werden am 30. Juni des jeweiligen Jahres nach dem Geschäftsjahr, für das ein Zusätzlicher Rückzahlungsbetrag zahlbar ist, gezahlt. Eine solche Zahlung kann verschoben werden, wenn die Feststellung der Abschlüsse der Bank für das betreffende Geschäftsjahr oder die Zahlung des von der Bank auf die Kumulativen Genussscheine an die Emittentin zu zahlenden Zusätzlichen Rückzahlungsbetrages aus einem anderen Grunde verschoben wird.

Vorzeitige Kündigung und Rückzahlung

Wenn ein Irisches Steuerereignis oder ein Irisches Gross-up-Ereignis (jeweils wie in den „Terms and Conditions of the Securities“ definiert) eingetreten ist, kann die Emittentin die Wertpapiere jederzeit unter Einhaltung einer Kündigungsfrist von mindestens 30 Tagen und höchstens 60 Tagen kündigen.

Bei einer solchen vorzeitigen Kündigung ist die gleichzeitige Rückzahlung der Kumulativen Genussscheine und die Zahlung der Rückzahlungsbetrages darauf nicht erforderlich, sie ist jedoch nur zulässig, wenn die Finanzierung der Rückzahlung der Wertpapiere zu ihrem Nennbetrag zuzüglich darauf aufgelaufener Zinsen über die Ausgabe ähnlicher Schuldtitel oder auf andere Weise sichergestellt wurde.

Zahlung zusätzlicher Beträge

Sollte die Emittentin im Hinblick auf Steuern zu einem Einbehalt oder Abzug von Beträgen, die in Bezug auf die Wertpapiere zu zahlen sind, verpflichtet sein, muss sie die betreffenden Beträge (vorbehaltlich der üblichen, in den Emissionsbedingungen der Wertpapiere im Einzelnen dargelegten Ausnahmen), so erhöhen, dass die Emissionsgläubiger den vollen Betrag erhalten, der ohne einen solchen Abzug oder Einbehalt zahlbar gewesen wäre. Die Verpflichtung der Emittentin zur Zahlung dieser Zusätzlichen Beträge steht unter dem Vorbehalt, dass sie hierzu über ausreichende Mittel verfügt. Die Emittentin wird die Freistellungsvereinbarung abschließen, nach der die Bank verpflichtet ist, der Emittentin die zur Zahlung der Zusätzlichen Beträge erforderlichen Mittel bereitzustellen. Die Fähigkeit der Emittentin zu Zahlung Zusätzlicher Beträge wird davon abhängen, dass sie von der Bank Beträge zur Deckung dieser Zusätzlichen Beträge erhält (siehe „Risk

Factors – Distributions on and repayment of the Securities are conditional“).

Bekanntmachungen

Alle Bekanntmachungen an die Emissionsgläubiger werden von der Emittentin (i) per Post, per Fax oder auf elektronischem Wege an das Clearing-System, (ii) solange die Wertpapiere an der Irischen Börse notiert werden und die Irische Börse dies verlangt, über die Irische Zahlstelle an das Company Announcements Office der Irischen Börse und (iii) solange die Wertpapiere an der Frankfurter Wertpapierbörse notiert werden und die Frankfurter Wertpapierbörse dies verlangt, durch Veröffentlichung in mindestens einer überregionalen Tageszeitung in Deutschland gemacht.

Gemäß seinen veröffentlichten Regeln wird das Clearing-System seine Teilnehmer, auf deren Konten die Wertpapiere gutgeschrieben sind, von solchen bei ihm eingegangenen Bekanntmachungen in Kenntnis setzen.

Frankfurt am Main, Deutschland.

Gerichtsstand

Deutsches Recht.

Maßgebliches Recht

Deutsch.

Maßgebliche Sprache

Steuerliche Folgen

Zu den wesentlichen Folgen des Erwerbs, Besitzes und der Veräußerung der Wertpapiere in Bezug auf die Besteuerung in Irland und Deutschland, siehe Abschnitt „Taxation“.

Zusammenfassung der Bedingungen der Kumulativen Genussscheine

Die folgende Zusammenfassung bezieht sich auf bestimmte Bedingungen der Kumulativen Genussscheine. Ein Anspruch auf Vollständigkeit der Zusammenfassung wird nicht erhoben. Die Zusammenfassung unterliegt und beruht in ihrer Gesamtheit auf den Bedingungen der Kumulativen Genussscheine, die sich unter „Terms and Conditions of the Cumulative Profit Participation Securities“ finden.

Emittentin	Dresdner Bank Aktiengesellschaft, Frankfurt am Main, eine als Aktiengesellschaft nach deutschem Recht gegründete Bank.
Nennbetrag	€ 1.000 pro Kumulativen Genussschein.
Gesamtnennbetrag	€ 750.000.000.
Ausgabepreis	100 % des Nennbetrags.
Form	Die Kumulativen Genussscheine werden durch eine auf den Inhaber lautende Globalurkunde ohne Zinsscheine verbrieft.
Ausgabetermin	20. Juli 2006.
Status	Die Zahlungsverpflichtungen der Bank aufgrund der Kumulativen Genussscheine sind im Falle der Insolvenz oder Liquidation der Bank (i) nachrangig gegenüber Forderungen aller gegenwärtigen und künftigen Gläubiger der Bank (mit Ausnahme der unter (ii) und (iii) genannten Gläubiger), (ii) (prozentual zum fälligen Betrag) mindestens gleichrangig mit allen Forderungen auf Rückzahlung von oder Ausschüttungen auf Genussrechte(n) oder Genussscheine(n) und ggf. anderer Kapitalinstrumente des Ergänzungskapitals, sowie sonstiger nachrangiger Verbindlichkeiten gemäß § 10(5) und (5a) KWG und (iii) vorrangig vor (y) allen Forderungen auf Rückzahlung von Kapitaleinlagen, die in Bezug auf bestehende und künftige stille Beteiligungen in die Bank eingebracht wurden, sowie (z) mit allen Forderungen gegen die Bank, die gleichrangig mit den Forderungen unter (y) sind oder als mit diesen gleichrangig bezeichnet werden; und vorrangig vor allen Forderungen von Anteilseignern der Bank im Zusammenhang mit ihren Anteilen am Grundkapital der Bank.
Alleiniger Inhaber	UT2 Funding p.l.c., eine am 19. Juni 2006 nach dem Recht Irlands gegründete Aktiengesellschaft (<i>public limited company</i>).
Gewinnperioden	Auf die Kumulativen Genussscheine fallen Gewinnausschüttungen für Gewinnperioden (Gewinnperioden) an, die mit Ausnahme der ersten Gewinnperiode am 1. Januar (einschließlich) jedes Jahres beginnen und am 31. Dezember (einschließlich) desselben Jahres enden; die letzte Gewinnperiode endet am 31. Dezember des dem Rückzahlungstag unmittelbar vorangehenden Jahres. Die erste Gewinnperiode (Erste Gewinnperiode) beginnt am Ausgabetermin (einschließlich) und endet am 31. Dezember 2006 (einschließlich).
Fälligkeitstage von Gewinnausschüttungen	Unter dem Vorbehalt, dass Gewinnausschüttungen ganz oder teilweise ausgeschlossen sind (siehe „-Ausschluss von Gewinnausschüttungen“), sind Gewinnausschüt-

tungen jährlich nachträglich zahlbar (i) am 30. Juni eines Jahres nach Ablauf der maßgeblichen Gewinnperiode oder, falls dies kein Geschäftstag ist, am darauf folgenden Geschäftstag oder (ii), falls an dem 29. Juni, der auf das Ende der maßgeblichen Gewinnperiode folgt, der geprüfte nicht konsolidierte Jahresabschlusses der Bank für das Geschäftsjahr, auf das sich die Gewinnperiode bezieht, noch nicht festgestellt ist, an dem auf die Feststellung folgenden Geschäftstag, je nachdem, welcher Tag der spätere ist.

Höhe von Gewinnausschüttungen für andere Gewinnperioden als die Erste Gewinnperiode

Unter dem Vorbehalt, dass Gewinnausschüttungen ganz oder teilweise ausgeschlossen sind (siehe „–Ausschluss von Gewinnausschüttungen“), fallen Gewinnausschüttungen für andere Gewinnperioden als die Erste Gewinnperiode auf den Nennbetrag der Kumulativen Genussscheine zum Satz von 5,386 % p. a. an.

Zinsberechnungsmethode

Die Zinsen für einen Zeitraum von weniger als einem Jahr werden auf Grundlage der Anzahl der tatsächlich vergangenen Tage in diesem Zeitraum geteilt durch die Anzahl der Tage (365 oder 366) in dem jeweiligen Zinsjahr geteilt.

Gewinnausschüttungszahlung für die Erste Gewinnperiode

Unter dem Vorbehalt, dass Gewinnausschüttungen ganz oder teilweise ausgeschlossen sind (siehe „–Ausschluss von Gewinnausschüttungen“), beträgt die Gewinnausschüttung für die Erste Gewinnperiode insgesamt € 38.212.500 (€ 50,95 pro Kumulativen Genussschein). Die Gewinnausschüttungszahlung für die Erste Gewinnperiode erfolgt (i) am 30. Juni 2007 oder, falls dies kein Geschäftstag ist, am darauf folgenden Geschäftstag oder (ii) falls am 29. Juni 2007 der geprüfte nicht konsolidierte Jahresabschlusses der Bank für das Geschäftsjahr zum 31. Dezember 2006 noch nicht festgestellt ist, an dem auf die Feststellung folgenden Geschäftstag, je nachdem, welcher Tag der spätere ist.

Ausschluss von Gewinnausschüttungen

Gewinnausschüttungen für eine Gewinnperiode (einschließlich der Ersten Gewinnperiode) sind ausgeschlossen

- (i) falls und soweit eine solche Zahlung, ggf. unter Berücksichtigung der Nachzahlung von Ausgefallenen Gewinnausschüttungen (siehe „Terms and Conditions of the Cumulative Profit Participation Securities), zu einem Bilanzverlust (siehe – „Bilanzverlust“) in dem Geschäftsjahr der Bank, auf das sich die maßgebliche Gewinnperiode bezieht, führen oder diesen erhöhen würde; oder
- (ii) wenn eine Herabsetzung des Buchwerts der Kumulativen Genussscheine aufgrund von Bilanzverlusten der Bank erfolgt ist und noch keine vollständige Wiederauffüllung gemäß den Bedingungen der Kumulativen Genussscheine stattgefunden hat.

Bilanzverlust

Ein **Bilanzverlust** liegt dann vor, wenn die nicht konsolidierte Jahresbilanz der Bank auf Grundlage der Anwend-

baren Rechnungslegungsvorschriften (wie nachfolgend definiert) nach Prüfung durch eine von der BaFin anerkannte Wirtschaftsprüfungsgesellschaft keinen Bilanzgewinn für das Geschäftsjahr, auf das sich die betreffende Gewinnausschüttung bezieht, ausweist. Der **Bilanzgewinn** schließt den Jahresüberschuss oder -fehlbetrag ein, *zuzüglich* des Gewinnvortrags aus den Vorjahren, *abzüglich* des Verlustvortrags aus den Vorjahren, *zuzüglich* der Entnahmen aus Kapital- und Gewinnrücklagen, *abzüglich* Einstellungen in Gewinnrücklagen, und zwar jeweils nach Maßgabe und in Übereinstimmung mit den Anwendbaren Rechnungslegungsvorschriften sowie sonstigem zum maßgeblichen Zeitpunkt anwendbaren deutschen Recht.

Die Bank ist nicht verpflichtet, zur Vermeidung eines Bilanzverlusts stille Reserven aufzudecken oder bilanzielle Rücklagen aufzulösen.

Anwendbare Rechnungslegungsvorschriften

Die jeweils für die Bank geltenden Rechnungslegungsvorschriften, die für die Aufstellung der nicht konsolidierten Jahresabschlüsse maßgebend sind. Die Anwendbaren Rechnungslegungsvorschriften zum Ausgabetag ergeben sich aus dem deutschen Handelsgesetzbuch (*HGB*).

Ausgefallene Gewinnausschüttungen

Aufgrund nicht ausreichender Bilanzgewinne oder aufgrund einer Herabsetzung nicht gezahlte Gewinnausschüttungen stellen **Ausgefallene Gewinnausschüttungen** dar. Ausgefallene Gewinnausschüttungen werden aus den Bilanzgewinnen nachfolgender Gewinnperioden vor dem Rückzahlungstag nachgezahlt. Die Nachzahlung erfolgt am Fälligkeitstag der Gewinnausschüttungszahlung der jeweils nächsten Gewinnperiode, in der ein Bilanzgewinn zur Verfügung steht. Reicht ein solcher nachfolgender Bilanzgewinn zur Zahlung der Ausgefallenen Gewinnausschüttungen sowie der Gewinnausschüttung für die jeweils letzte Gewinnperiode nicht aus, erfolgen Zahlungen zunächst auf die Ausgefallenen Gewinnausschüttungen und erst danach auf die Gewinnausschüttung für die jeweils letzte Gewinnperiode. Ausgefallene Gewinnausschüttungen werden nicht verzinst.

Die Verpflichtung der Bank, Ausgefallene Gewinnausschüttungen und die Gewinnausschüttung für die letzte Gewinnperiode zu zahlen, verfällt am Rückzahlungstag endgültig, sofern sie an diesem Tag aufgrund der unter „-Ausschluss von Gewinnausschüttungen“ genannten Beschränkungen noch nicht gezahlt wurden.

Verlustbeteiligung und Herabsetzung

Wenn der Bank in einem Geschäftsjahr ein Bilanzverlust entsteht, nehmen die Kumulativen Genussscheine an diesem Bilanzverlust teil. An einem Bilanzverlust nehmen die Kumulativen Genussscheine entsprechend dem Verhältnis ihres Buchwerts zum Gesamtbuchwert aller aufsichtsrechtlichen Eigenkapitalanteile der Bank teil, die an einem Bilanzverlust der Bank teilnehmen (einschließlich der aufsichtsrechtlichen Eigenkapitalanteile der Bank, die sich zu dem relevanten Zeitpunkt aufgrund zeitlicher oder volumenmäßiger Beschränkungen aus aufsichtsrechtlicher

Sicht nicht oder nicht mehr als Eigenkapital qualifizieren). Der Rückzahlungsbetrag wird insoweit reduziert, als die Kumulativen Genussscheine an einem Bilanzverlust teilnehmen.

Wiederauffüllung der Kumulativen Genussscheine

Nach einer Herabsetzung wird der Buchwert der Kumulativen Genussscheine in jedem der Herabsetzung nachfolgenden Geschäftsjahr der Bank bis zur vollständigen Höhe ihres Nennbetrages wieder aufgefüllt, soweit hierdurch kein Bilanzverlust entsteht oder erhöht würde.

Die Wiederauffüllung nach einer Herabsetzung geht Dividendenzahlungen und anderen Ausschüttungen auf das Grundkapital und Einstellungen in die Rücklagen (mit Ausnahme der gesetzlichen Rücklage) vor. Im Verhältnis zu Kapitalgebern nach § 10 Abs. 4 KWG (Vermögenseinlagen stiller Gesellschafter) erfolgt die Wiederauffüllung des Buchwerts der Kumulativen Genussscheine vorrangig, wenn die Bedingungen dieser Kapitalanlagen dies vorsehen. Ist dies nicht der Fall und gegenüber anderen Kapitalgebern nach § 10 Abs. 5 KWG (Genussrechte) erfolgt die Wiederauffüllung in der gleichen Reihenfolge und im gleichen Verhältnis wie die Beteiligung am Bilanzverlust.

Rückzahlung des Kapitals

Rückzahlungen des Kapitals werden von der Bank nur bei der Rückzahlung der Kumulativen Genussscheine vorgenommen sowie gegebenenfalls an Zusätzlichen Rückzahlungstagen (siehe „-Vorgesehene Rückzahlung“ und „-Zusätzliche Rückzahlungsbeträge und -tage“). Zu diesem Zeitpunkt wird der Nennbetrag der Kumulativen Genussscheine vorbehaltlich Herabsetzungen zurückgezahlt (siehe „-Rückzahlungsbetrag“).

Vorgesehene Rückzahlung

Die Laufzeit der Kumulativen Genussscheine ist bis zum 31. Dezember 2015 befristet. Der Rückzahlungsbetrag (siehe „-Rückzahlungsbetrag“) ist am Rückzahlungstag fällig. Der **Rückzahlungstag** bezeichnet entweder den (i) 30. Juni 2016 oder, falls dies kein Geschäftstag ist, den darauf folgenden Geschäftstag oder (ii) falls am 29. Juni 2016 der nicht konsolidierte Jahresabschluss der Bank für das am 31. Dezember 2015 beendete Geschäftsjahr noch nicht festgestellt ist, den auf die Feststellung folgenden Geschäftstag, je nachdem, welcher Tag der spätere ist. Der Nennbetrag wird vom 31. Dezember 2015 bis zum Rückzahlungstag nicht verzinst.

Rückzahlungsbetrag

Am Rückzahlungstag wird die Bank den Rückzahlungsbetrag an den Inhaber der Kumulativen Genussscheine zahlen. Der **Rückzahlungsbetrag** entspricht dem Nennbetrag der Kumulativen Genussscheine oder, falls Herabsetzungen vorgenommen und bis zum Rückzahlungstag nicht wieder aufgefüllt wurden, dem Buchwert der Kumulativen Genussscheine.

Zusätzliche Rückzahlungsbeträge und -tage

Zusätzliche Rückzahlungsbeträge bis zur Höhe der Differenz zwischen dem Rückzahlungsbetrag und dem ursprünglichen Nennbetrag der Kumulativen Genussscheine werden fällig, wenn die Voraussetzungen einer weiteren Wiederauffüllung des Buchwertes der Kumula-

tiven Genussscheine bis zur Höhe ihres ursprünglichen Nennbetrags von € 1.000 pro Kumulativen Genussschein in einem oder mehreren der Geschäftsjahre der Bank vorliegen, die auf den Rückzahlungstag folgen und am oder vor dem 31. Dezember 2019 enden. Etwaige Zusätzliche Rückzahlungsbeträge werden nicht verzinst.

Diese Zusätzlichen Rückzahlungsbeträge werden am 30. Juni jedes Jahres nach einem Geschäftsjahr gezahlt, in Bezug auf das ein Zusätzlicher Rückzahlungsbetrag zahlbar ist. Eine solche Zahlung kann verschoben werden, wenn die Feststellung der Abschlüsse der Bank für das betreffende Geschäftsjahr oder die Zahlung des von der Bank an die Emittentin zahlbaren Zusätzlichen Rückzahlungsbetrages aus den Kumulativen Genussscheinen aus einem anderen Grunde verschoben wird.

Die Bank ist zur vorzeitigen Rückzahlung der Kumulativen Genussscheine berechtigt, wenn ein Deutsches Steuerereignis, ein Steuer-Rückerstattungsereignis, ein Deutsches Gross-up-Ereignis oder ein Irisches Gross-Up-Ereignis (wie jeweils in den „Terms and Conditions of the Cumulative Profit Participation Securities“ definiert und näher dargelegt) eintritt, solange in jedem Fall der Buchwert der Kumulativen Genussscheine zum Zeitpunkt der Ausübung des Kündigungsrechts nicht unter ihrem Nennbetrag liegt. Ungeachtet anderweitiger Vereinbarungen sind vorzeitige Rückzahlungen auf die Kumulativen Genussscheine an die Bank zurückzuzahlen, es sei denn, (i) das Kapital wurde durch anderes mindestens gleichwertiges haftendes Eigenkapital ersetzt oder (ii) die BaFin stimmt der vorzeitigen Rückzahlung zu.

Die Kumulativen Genussscheine begründen ein Rechtsverhältnis zwischen der Bank und dem Inhaber, d.h. der Emittentin. Deshalb kann nur die Emittentin (oder ihre Rechtsnachfolger) Rechte aus den Kumulativen Genussscheinen gegenüber der Bank durchsetzen. Die Emittentin ist nicht verpflichtet, zur Durchsetzung ihrer Rechte aus den Kumulativen Genussscheinen rechtliche Schritte gegen die Bank einzuleiten.

Nach anwendbarem deutschem Bankaufsichtsrecht sind Rückzahlungen auf die Kumulativen Genussscheine, die unter Verletzung ihrer Bedingungen vorgenommen wurden, an die Bank zurückzuzahlen.

Frankfurt am Main, Deutschland.

Deutsches Recht.

Deutsch.

Vorzeitige Rückzahlung

Durchsetzungsrechte

Einhaltung des deutschen Bankaufsichtsrechts

Gerichtsstand

Maßgebliches Recht

Maßgebliche Sprache

Zusammenfassung der Bedingungen des Darlehensvertrages

Die folgende Zusammenfassung bezieht sich auf bestimmte Bestimmungen des Darlehensvertrages. Ein Anspruch auf Vollständigkeit der Zusammenfassung wird nicht erhoben. Die Zusammenfassung unterliegt und beruht in ihrer Gesamtheit auf den Bestimmungen des Darlehensvertrages, die sich unter „Terms of the Loan Agreement“ finden.

Parteien

Dresdner Bank Aktiengesellschaft, Frankfurt am Main, eine als Aktiengesellschaft nach deutschem Recht gegründete Bank als **Darlehensgeberin**.

UT2 Funding p.l.c., Dublin, Republik Irland, eine nach dem Recht Irlands gegründete Aktiengesellschaft (*public limited company*) als **Darlehensnehmerin**.

Darlehensauszahlungen

An jedem Tag, an dem eine Gewinnausschüttungszahlung fällig wird, ist die Darlehensgeberin verpflichtet, an die Darlehensnehmerin eine Darlehensauszahlung in Höhe des Betrages zu zahlen, der dem Einbehalt der Bank von der betreffenden Gewinnausschüttung aufgrund von Kapitalertragsteuer entspricht.

Rückzahlung

Die Darlehensnehmerin ist verpflichtet, Darlehensauszahlungen in Höhe des vollen Betrages von Steuererstattungsansprüchen, die sie von den deutschen Steuerbehörden erhält, unverzüglich nach Erhalt der betreffenden Zahlung zurückzuzahlen (jede solche Zahlung eine **Rückzahlung**).

Zinsen

Die Darlehensnehmerin muss an jedem Tag, an dem sie eine Rückzahlung vornimmt, Zinsen an die Darlehensgeberin zahlen. Der Zinssatz beträgt 5,07 % p.a. auf die Darlehensauszahlungen.

Bereitstellungsgebühr

26,5 Basispunkte (0,265 %)

Gerichtsstand

Frankfurt am Main, Deutschland.

Maßgebliches Recht

Deutsches Recht.

Maßgebliche Sprache

Deutsch.

Selected Financial Information

DRESDNER BANK

The following tables present selected non-consolidated financial information of Dresdner Bank Aktiengesellschaft in accordance with HGB and German GAAP as and for the last two fiscal years ended December 31, 2005 and 2004, respectively:

Selected Non-consolidated Income Statement Figures	Year Ended December 31,	
	2005	2004
	(€ in millions)	
Net interest and current income	3,882	3,206
Net fee and commission income	1,715	1,617
Net income/loss from financial operations	271	(240)
Administrative expenses	(4,460)	(4,444)
Other operating income/expenses	126	728
Risk provisions	657	(494)
Result from investment securities	195	(415)
Expenses from assumption of loss	(388)	(680)
Income from assumption of loss	-	51
Extraordinary income/expenses	(25)	(171)
Income/loss before taxes	<u>1,973</u>	<u>(842)</u>
Tax expense	(386)	48
Net income for the year	<u><u>1,587</u></u>	<u><u>(794)</u></u>

Selected Non-consolidated Balance Sheet Figures	December 31,	
	2005	2004
	(€ in millions)	
Assets		
Cash funds	3,782	1,254
Public sector securities and bills eligible for refinancing with central banks	1,109	3,580
Loans and advances to other banks	95,530	129,067
Loans and advances to customers	175,466	192,066
Debt and other fixed income securities	107,260	145,930
Equities and other non-fixed-income securities	22,653	15,605
Investments in non-affiliated enterprises	544	1,657
Investments in affiliated enterprises	6,839	9,471
Assets held in trust	1,885	2,021
Intangible fixed assets	67	–
Tangible fixed assets	2,148	2,118
Treasury shares	–	46
Other assets	33,960	24,946
Deferred items	3,635	2,746
Deferred tax assets	156	229
Total assets	455,034	530,736
Liabilities and Shareholder's Equity		
Liabilities to banks	177,755	264,135
Liabilities to customers	185,815	186,399
Certificated liabilities	35,724	31,201
Liabilities incurred as trustee	1,885	2,021
Other liabilities	33,176	27,285
Deferred items	2,917	1,916
Provisions	3,872	4,595
Subordinated liabilities	4,905	5,493
Profit-participation certificates	1,278	1,278
Fund for general banking risks	174	174
Shareholders' equity	7,533	6,239
Total liabilities and shareholders' equity	455,034	530,736

Dresdner Bank Group

The following tables present selected consolidated financial information of the Dresdner Bank Group in accordance with IFRS as of and for the last two fiscal years ended December 31, 2005 and 2004, respectively:

Selected Consolidated Income Statement Figures	Year Ended December 31,	
	2005	2004
	(€ in millions)	
Net interest and current income	2,221	2,271
Net fee and commission income	2,610	2,563
Net trading income	1,104	1,500
Operating income	5,935	6,334
Administrative expenses	(5,303)	(5,403)
Net loan loss provisions	113	(337)
Operating result	745	594
Other operating income/expenses	(20)	(199)
Result from investment securities	1,452	142
Amortization of and impairment losses on goodwill	(2)	(124)
Restructuring charges	(12)	(290)
Income before taxes	2,163	123
Tax expense	(377)	142
Income after taxes	1,786	265
Income attributable to minority interests	(76)	(59)
Net income for the year	1,710	206

Selected Consolidated Balance Sheet Figures	December 31,	
	2005	2004
	(€ in millions)	
Assets		
Cash funds	4,295	2,266
Financial assets at fair value	165,806	192,570
Loans and advances to banks (net of loan loss allowance of € 190m)	99,791	125,634
Loans and advances to customers (net of loan loss allowance of € 1,372m)	161,941	166,625
Investment securities	13,739	17,102
Investments in enterprises accounted for using the equity method	392	2,785
Property and equipment	2,432	4,451
Intangible assets	467	451
Assets held for sale	1,410	–
Other assets	8,195	8,420
Deferred tax assets	2,904	3,566
Total assets	461,372	523,870
Liabilities and Equity		
Financial liabilities at fair value	81,322	99,799
Liabilities to banks	139,910	187,462
Liabilities to customers	155,785	154,513
Certificated liabilities	50,079	46,494
Provisions and other liabilities	11,976	13,462
Deferred tax liabilities	996	1,628
Subordinated liabilities	5,811	6,189
Profit-participation certificates	1,517	1,526
Equity	13,976	12,797
– Parent shareholders' equity	11,763	10,929
– Subscribed capital	1,503	1,503
– Additional paid-in capital	6,383	6,676
– Retained earnings	2,213	1,366
– Translation reserve	(380)	(497)
– Cumulative remeasurement gains/losses on financial instruments	1,235	1,881
– Distributable profit	809	0
– Minority interests	2,213	1,868
Total liabilities and equity	461,372	523,870

Risk Factors

The following is a non-exhaustive description of certain risk factors with respect to the Securities and the financial situation of the Issuer and the Bank which prospective investors should consider before deciding to purchase the Securities. The sequence in which the following risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. Prospective investors should consider all of the information provided in this Prospectus and consult with their own professional advisers if they consider it necessary.

Risk Factors Concerning the Bank and the Dresdner Bank Group

Investors should carefully review the following risk factors together with the other information contained in this Prospectus before making an investment decision. The Bank's and the Dresdner Bank Group's financial position and results of operations may be materially adversely affected by each of these risks. Investors may lose the value of their investment in whole or in part as a result of each of these risks. Additional risks not currently known to the Group or that the Group now deems immaterial may also adversely affect its business and one's investment in the Securities. To the extent that the following risk factors refer to the Dresdner Bank Group, such risk factors also apply to the Bank.

Interest rate volatility may adversely affect Dresdner Bank Group's results of operations.

Changes in prevailing interest rates (including changes in the difference between the levels of prevailing short- and long-term rates) can affect Dresdner Bank Group's results.

The Group's management of interest rate risks affects the results of its operations. The composition of the Group's assets and liabilities, and any mismatches resulting from that composition, cause the Group's net income to vary with changes in interest rates. The Group is particularly impacted by changes in interest rates as they relate to different maturities of contracts and the different currencies in which it holds interest rate positions. A mismatch with respect to maturity of interest-earning assets and interest-bearing liabilities in any given period can have a material adverse effect on the financial position or results of operations of the Group's business.

Market risks could impair the value of the Group's portfolio and adversely impact its financial position and results of operations.

Fluctuations in equity markets affect the market value and liquidity of the Group's equity portfolio.

The Dresdner Bank Group also has real estate holdings in its investment portfolio, the value of which is likewise exposed to changes in real estate market prices and volatility.

Most of the Group's assets and liabilities are recorded at fair value, including trading assets and liabilities, financial assets and liabilities designated at fair value through income, and securities available-for-sale. Changes in the value of securities held for trading purposes and financial assets designated at fair value through income are recorded through the consolidated income statement. Changes in the market value of securities available-for-sale are recorded directly in the consolidated shareholders' equity. Available-for-sale equity and fixed income securities, as well as securities classified as held-to-maturity, are reviewed regularly for impairment, with write-downs to fair value charged to income if there is objective evidence that the cost may not be recovered.

The Group has significant counterparty risk exposure.

The Dresdner Bank Group is subject to a variety of counterparty risks. Third parties that owe the Group money, securities or other assets may not pay or perform under their obligations. These parties include the issuers whose securities the Group holds, borrowers under loans made, customers, trading counterparties, counterparties under swaps, credit default and other derivative contracts, clearing agents, exchanges, clearing houses and other financial intermediaries. These parties may default on their obligations to the Group due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons.

Changes in existing, or new, government laws and regulations, or enforcement initiatives in respect thereof, in the countries in which the Dresdner Bank Group operates may materially impact the Group and could adversely affect its business.

The Group's business is subject to detailed, comprehensive laws and regulations as well as supervision in all the countries in which it does business. Changes in existing laws and regulations may affect the way in which the Group conducts its business and the products the Group may offer. Changes in regulations relating to financial services, securities products

and transactions may materially adversely affect its businesses by restructuring the Group's activities, imposing increased costs or otherwise.

Regulatory agencies have broad administrative power over many aspects of the financial services business, which may include liquidity, capital adequacy and permitted investments, as well as other issues such as money laundering, privacy, record keeping, and marketing and selling practices. Banking and other financial services laws, regulations and policies currently governing the Bank and its subsidiaries may change at any time in ways which have an adverse effect on its business, and the Group cannot predict the timing or form of any future regulatory or enforcement initiatives in respect thereof. Also, bank regulators and other supervisory authorities in the European Union, the United States and elsewhere continue to scrutinize payment processing and other transactions under regulations governing such matters as money-laundering, prohibited transactions with countries subject to sanctions, and bribery or other anti-corruption measures. If the Group fails to address, or appears to fail to address, appropriately any of these changes or initiatives, its reputation could be harmed and it could be subject to additional legal risk, including to enforcement actions, fines and penalties. Despite the Group's best efforts to comply with applicable regulations, there are a number of risks in areas where applicable regulations may be unclear or where regulators revise their previous guidance or courts overturn previous rulings. Regulators and other authorities have the power to bring administrative or judicial proceedings against the Group, which could result, among other things, in suspension or revocation of the Group's licenses, cease-and-desist orders, fines, civil penalties, criminal penalties or other disciplinary actions which could materially harm its results of operations and financial condition.

The Group's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to the Dresdner Bank Group, other well-known companies and the financial services industry generally.

Adverse publicity and damage to the Group's reputation arising from failure or perceived failure to comply with legal and regulatory requirements, financial reporting irregularities involving other large and well-known companies, increasing regulatory and law enforcement scrutiny of "know your customer" anti-money laundering and anti-terrorist-financing procedures and their effectiveness, and litigation that arises from the failure or perceived failure by the Group companies to comply with legal and regulatory requirements, could result in increased regulatory supervision, affect its ability to attract and retain customers, maintain access to the capital markets, result in suits, enforcement actions, fines and penalties or have other adverse effects on the Group in ways that are not predictable.

Changes in value relative to the Euro of non-Euro zone currencies in which the Group generates revenues and incurs expenses could adversely affect its reported earnings and cash flow.

The Dresdner Bank Group prepares its consolidated financial statements in Euro. However, a significant portion of the revenues and expenses from its subsidiaries outside the Euro zone, including in the United Kingdom, United States, Switzerland and Japan, originates in currencies other than the Euro.

As a result, although the Bank's non-Euro zone subsidiaries generally record their revenues and expenses in the same currency, changes in the exchange rates used to translate foreign currencies into Euro may adversely affect the Bank's results of operations.

While the Group's non-Euro assets and liabilities, revenues and related expenses are generally denominated in the same currencies, it does not generally engage in hedging transactions with respect to dividends or cash flows in respect of its non-Euro subsidiaries.

Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and leading to material losses for the Group.

In some of the Group's businesses, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if the Group cannot close out deteriorating positions in a timely way. This may especially be the case for assets it holds for which there are not very liquid markets to begin with. Assets that are not traded on stock exchanges or other public trading markets, such as derivatives contracts between banks, may have values that the Group calculates using models other than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to losses the Bank did not anticipate.

Even where losses are for the Dresdner Bank Group's clients' accounts, they may fail to repay it, leading to material losses for the Group, and its reputation can be harmed.

While Group clients would be responsible for losses it incurs in taking positions for their accounts, the Bank may be exposed to additional credit risk as a result of their need to cover the losses. The business may also suffer if clients lose money and the Group loses the confidence of clients in its products and services.

The Group's investment banking revenues may decline in adverse market or economic conditions.

The Dresdner Bank Group's investment banking revenues, in the form of financial advisory and underwriting fees, directly relate to the number and size of the transactions in which it participates and are susceptible to adverse effects from sustained market downturns. These fees and other revenues are generally linked to the value of the underlying assets and therefore decline as asset values decline. In particular, the Group's revenues and profitability could sustain material adverse effects from a significant reduction in the number or size of debt and equity offerings and merger and acquisition transactions. The Bank has observed reductions in the number and size of these transactions since the equity markets began to decline from their peak levels in the first half of 2000, though the financial markets strengthened somewhat in 2003, 2004 and 2005.

The Dresdner Bank Group may generate lower revenues from brokerage and other commission- and fee-based businesses.

Market downturns are likely to lead to declines in the volume of transactions that the Group executes for its clients and, therefore, to declines in its non-interest revenues. In addition, because the fees that the Group charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues the Group receives from its wealth management and private banking businesses.

Intense competition, especially in the Group's home market of Germany, where it has the largest single concentration of its businesses, could materially hurt the Group's revenues and profitability.

Competition is intense in all of the Group's primary business areas in Germany and the other countries in which the Group conducts large portions of its business, including other European countries and the United States. The Group derived approximately 69% of its total operating income in 2005 from Germany, a mature market where competitive pressures have been increasing quickly. If the Group is unable to respond to the competitive environment in Germany or in its other major markets with attractive product and service offerings that are profitable for it, the Group may lose market share in important areas of its business or incur losses on some or all of its activities. In addition, downturns in the German economy could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for the Group and its competitors.

Risks associated with the Securities

Coupon Payments on the Securities depend on the Bank's profits.

Both the Coupon Payments under the Securities to Securityholders and the Profit Distribution Payments under the Cumulative Profit Participation Securities depend on the future profits or losses of the Bank. Profit Distributions will not accrue if and to the extent that such accrual would create or increase an Annual Balance Sheet Loss (*Bilanzverlust*) in the Bank's non-consolidated accounts in accordance with Applicable Accounting Standards or if the book value of the Cumulative Profit Participation Securities has been reduced as a result of a sharing in the Bank's Annual Balance Sheet Loss and has not been fully replenished. If the Balance Sheet Profits of the Bank do not suffice for the accrual of a full Profit Distribution, Profit Distributions will only accrue in part and, accordingly, the corresponding Coupon Payments will only be made in part.

Profit Distributions not made for the reasons set out above will be paid to the extent the Bank records sufficient Balance Sheet Profits in subsequent years to pay Arrears of Profit Distributions and current Profit Distributions. However, the Bank's obligation to pay Arrears of Profit Distributions and the Profit Distribution for the last Profit Period will be extinguished on the Repayment Date to the extent not paid on such date due to the restrictions described above.

Capital Payments on the Securities are dependent on the Repayment Amount and the Additional Repayment Amounts, if any, under the Cumulative Profit Participation Securities.

If, because the Cumulative Profit Participation Securities have participated in the Bank's Annual Balance Sheet Loss, there has been a Reduction of the Cumulative Profit Participation Securities' book value, and the book value of the Cumulative Profit Participation Securities' as reflected in the Bank's non-consolidated balance sheet relating to the fiscal year of the

Bank immediately preceding the Repayment Date has not been fully replenished to € 1,000 per Cumulative Profit Participation Security, the Repayment Amount payable under each Cumulative Profit Participation Security on the Repayment Date will be lower than € 1,000. Further, if the book value per Cumulative Profit Participation Security, as reflected in the Bank's non-consolidated balance sheet relating to any fiscal year of the Bank that follows the Repayment Date and that ends on or before 31 December 2019, is at all such times not the full € 1,000, the aggregate of the Repayment Amount and the Additional Repayment Amounts, if any, payable under each Cumulative Profit Participation Security will be lower than € 1,000. In such case, Capital Payments under the Securities will be lower than the Nominal Amount of the Securities. Accordingly, Annual Balance Sheet Losses of the Bank may result in the Securityholders incurring a loss on their investment upon redemption of the Securities.

Distributions on and repayment of the Securities are conditional.

All of the Issuer's payment obligations under the Securities (including in the event of a termination by Securityholders pursuant to § 11 of the Terms and Conditions of the Securities) depend upon the receipt in full of the necessary amounts payable by the Bank under the Cumulative Profit Participation Securities and the Indemnity Agreement and by the Lender under the Loan Agreement. To the extent that the Issuer does not receive such amounts, it will have no obligation to make payments under the Securities.

Securities may be called for redemption prior to their scheduled maturity.

The Issuer may prematurely call the Securities for redemption. In addition, the Securities will be redeemed prior to their scheduled maturity date if the Bank redeems the Cumulative Profit Participation Securities early. In each such case, the Securityholders are entitled to receive the Nominal Amount of the Securities plus any accrued interest thereon, subject to receipt thereof by the Issuer from the Bank and the Lender. The Securityholders will not be entitled to Coupon Payments for any period after such redemption has occurred and there can be no assurance that the Securityholders will be able to re-invest the proceeds from the early redemption of the Securities at a comparable yield.

The Bank provides no credit support to the Securityholders.

Other than the indemnity for withholding tax under the laws of Ireland, if any, the Bank has not granted and will not grant any kind of guarantee or other form of credit support for the benefit of the Securityholders and the Issuer is not affiliated with the Bank.

Claims under the Cumulative Profit Participation Securities are subordinated.

The payment obligations of the Bank under the Cumulative Profit Participation Securities constitute obligations that are subordinated to the claims of all existing and future creditors of the Bank (but excluding the creditors referred to below). Accordingly, in the event that the Bank is wound up, liquidated or dissolved (each, a **Liquidation Event**), the Issuer's rights under the Cumulative Profit Participation Securities will rank junior to all creditors of the Bank. The payment obligations of the Bank under the Cumulative Profit Participation Securities will, however, rank *pari passu* among themselves and *pari passu* with (by percentage of the amount payable) with all claims for distributions under or the repayment of capital contributions made with respect to profit participation rights in the form of *Genussrechte* or *Genussscheine*, and other upper tier 2 capital instruments, if any, and any other subordinated debt in accordance with § 10(5) and (5a) of the German Banking Act (**KWG**). Further, the payment obligations of the Bank under the Cumulative Profit Participation Securities will rank senior to all claims for distributions under or the repayment of capital contributions made with respect to existing and future silent participations in the Bank and all claims against the Bank ranking or expressed to rank senior to all claims of shareholders of the Bank in connection with their shares in the statutory capital (*Grundkapital*) of the Bank. Furthermore, the Bank has not entered into any restrictive covenants in connection with the Cumulative Profit Participation Securities regarding its ability to incur additional indebtedness ranking *pari passu* or senior to claims under the Cumulative Profit Participation Securities. After a Liquidation Event, the payments made under the Securities will be limited to such liquidation proceeds as may be obtained by the Issuer in respect of its claims under the Cumulative Profit Participation Securities; such liquidation proceeds, however, will be limited to those amounts available after claims ranking in priority to the Issuer's have first been satisfied in full and will, in any event, be limited to the book value of the Cumulative Profit Participation Securities which may be lower than their nominal amount due to a participation of the Cumulative Profit Participation Securities in Annual Balance Sheet Losses of the Bank in previous fiscal years.

The entities involved in the Transaction may incur additional liabilities.

The activities of the Issuer are contractually limited to performing its role in the Transaction. There can be no assurance that the management of the Issuer will restrict its business activities to the Transaction, which may result in additional liabilities. Any such additional liabilities of the Issuer could adversely affect its ability to perform its obligations in connection with the

Transaction. Any such effect would materially adversely affect the Issuer's ability to perform its obligations under the Securities. The Bank is not restricted under the terms and conditions of the Cumulative Profit Participation Securities from incurring additional liabilities (including additional subordinated liabilities on similar or other terms).

There has been no prior market for the Securities.

The Securities that are the subject of this offering are a new issue of securities. Prior to their issue, there has been no public market for the Securities. Although application has been made to have the Securities listed on the Irish Stock Exchange and further application will be made to have the Securities listed on the Frankfurt Stock Exchange, there can be no assurance that an active public market for the Securities will develop. If such a market develops, neither the Managers nor any other person is obliged to maintain it. Furthermore, the liquidity and the market for the Securities can be expected to vary with changes in the securities market and economic conditions, the financial condition and prospects of the Bank and the Issuer and other factors which generally influence the market prices of securities. Such fluctuations may significantly affect liquidity and market prices for the Securities.

Agreements governed by German law may be subject to general termination rights.

The Securities, the Cumulative Profit Participation Securities, the Loan Agreement, the Indemnity Agreement and the Fiduciary Assignment Agreement are governed by German law. Under German law, the right to terminate continuous contracts (*Dauerschuldverhältnis*) in extraordinary circumstances (*Kündigungsrecht aus wichtigem Grund*) cannot be excluded. Even though the circumstances under which such a termination right exists are limited, there can be no assurance that a party to any of those agreements will not assert the existence of such a termination right in the future.

Risks Relating to the Issuer

The Issuer is a special purpose entity and is not affiliated with the Bank.

The Issuer is a special purpose entity that currently has, and during the term of the Transaction will not have, any assets other than the claims under the Cumulative Profit Participation Securities, the Loan Agreement and the Indemnity Agreement. Furthermore, the Issuer is not affiliated with the Bank. The Issuer, the Bank, the Lender and the Security Trustee have entered into a Fiduciary Assignment Agreement pursuant to which the Issuer has assigned and transferred to the Security Trustee its ownership of the global certificate representing the Cumulative Profit Participation Securities and has assigned all of its claims against the Lender under the Loan Agreement and all of its claims against the Bank under the Indemnity Agreement for indemnification in respect of withholding tax under the laws of Ireland, if any, to the Security Trustee for the benefit of the Securityholders. However, there can be no assurance that the Security Trustee will receive sufficient funds to satisfy the Securityholders payment claims under the Securities. If the Security Trustee does not receive funds under the claims assigned to it, the Issuer will not be in a position to meet its obligations under the Securities. In such case, Securityholders will have no claims or other recourse against the Bank or other parties to the Transaction.

Examiners, Preferred Creditors under Irish law and Floating charges

The Issuer has its registered office in Ireland. As a result there is a rebuttable presumption that its centre of main interest is in Ireland and consequently it is likely that any insolvency proceedings applicable to it would be governed by Irish law.

An examiner may be appointed to an Irish company in circumstances where it is unable, or likely to be unable, to pay its debts. One of the effects of such an appointment is that during the period of appointment, there is a prohibition on the taking of enforcement action by any creditors of the company. Given that the Issuer is a special purpose entity, the limited recourse nature of the Issuer's liabilities and the structure of the transaction, it is unlikely that an examiner would be appointed to the Issuer.

In an insolvency of the Issuer, the claims of certain preferential creditors (including the Irish Revenue Commissioners for certain unpaid taxes) will rank in priority to claims of unsecured creditors and claims of creditors holding floating charges. In addition, the claims of creditors holding fixed charges may rank behind other "super" preferential creditors (including expenses of any examiner appointed and certain capital gains tax liabilities) and, in the case of fixed charges over book debts, may rank behind claims of the Irish Revenue Commissioners.

In certain circumstances, a charge which purports to be taken as a fixed charge may take effect as a floating charge. Under Irish law, for a charge to be characterised as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets including any bank account into which such proceeds are paid.

If the Issuer becomes subject to an insolvency proceeding and the Issuer has obligations to creditors that are treated under Irish law as creditors that are senior relative to the Securityholders, the Securityholders may suffer losses as a result of their subordinated status during such insolvency proceeding.

Use of Proceeds

The proceeds from the issue of the Securities will amount to € 750,000,000 and will be used by the Issuer to purchase the Cumulative Profit Participation Securities issued by the Bank in the same aggregate principal amount. The Bank intends to use the proceeds from the Cumulative Profit Participation Securities for general corporate purposes. The costs related to the offering of the Securities are expected to amount to € 1,337,919.

Capitalisation, Regulatory Capital, Distributable Profit (*Bilanzgewinn*)

Dresdner Bank

The audited non-consolidated capitalisation of Dresdner Bank as at December 31, 2005 and 2004, respectively, is as follows⁽¹⁾:

Liabilities and Shareholders' Equity	2005	2004
	(€ in millions)	
Liabilities to banks	177,755	264,135
Liabilities to customers	185,815	186,399
Certificated liabilities	35,724	31,201
Liabilities incurred as trustee	1,885	2,021
Other liabilities	33,176	27,285
Deferred items	2,917	1,916
Provisions	3,872	4,595
Subordinated liabilities	4,905	5,493
Profit-participation certificates	1,278	1,278
Fund for general banking risks	174	174
Shareholders' equity	7,533	6,239
Total liabilities and shareholders' equity	455,034	530,736

⁽¹⁾ Amounts presented in accordance with HGB and German GAAP.

Dresdner Bank Group

The audited consolidated capitalisation of Dresdner Bank Group as at December 31, 2005 and 2004, respectively, is as follows⁽¹⁾:

Liabilities and Equity	2005	2004
	(€ in millions)	
Financial liabilities at fair value	81,322	99,799
Liabilities to banks	139,910	187,462
Liabilities to customers	155,785	154,513
Certificated liabilities	50,079	46,494
Provisions and other liabilities	11,976	13,462
Deferred tax liabilities	996	1,628
Subordinated liabilities	5,811	6,189
Profit-participation certificates	1,517	1,526
Equity	13,976	12,797
– Parent shareholders' equity	11,763	10,929
– Subscribed capital	1,503	1,503
– Additional paid-in capital	6,383	6,676
– Retained earnings	2,213	1,366
– Translation reserve	(380)	(497)
– Cumulative remeasurement gains/losses on financial instruments	1,235	1,881
– Distributable profit	809	0
– Minority interests	2,213	1,868
Total liabilities and equity	461,372	523,870

⁽¹⁾ Amounts presented in accordance with IFRS.

Since December 31, 2005, the last day of the financial period in respect of which the most recent audited financial statements of Dresdner Bank and the Dresdner Bank Group have been issued or published, there has been no significant adverse change in the financial position of the Bank and the Group.

Regulatory Capital

Dresdner Bank

The following table shows the composition of the regulatory capital of Dresdner Bank on a non-consolidated basis as of December 31, 2005 and 2004, respectively⁽¹⁾:

	2005	2004
	(€ in millions, except percentages)	
Tier 1 (core) capital (<i>Kernkapital</i>)	6,831	6,413
Tier 2 (supplementary) capital (<i>Ergänzungskapital</i>)	4,797	5,483
of which:		
Profit participation certificates outstanding	766	1,277
Subordinated liabilities	2,825	3,486
Total Capital	11,434	11,959
Tier 1 Ratio (in %)	6.3	6.7
Total Capital Ratio (in %)	10.5	12.5

⁽¹⁾ Presented pursuant to the German Banking Act (*Kreditwesengesetz*).

Dresdner Bank Group

The following table shows the composition of Dresdner Bank Group's regulatory capital on a consolidated basis as of December 31, 2005 and 2004, respectively⁽¹⁾:

	2005 ⁽²⁾	2004
	(€ in millions, except percentages)	
Tier 1 (core) capital (<i>Kernkapital</i>)	11,126	6,867
of which:		
Hybrid capital instruments	1,614	1,500
Tier 2 (supplementary) capital (<i>Ergänzungskapital</i>) ⁽³⁾	7,085	6,867
of which:		
Profit participation certificates outstanding	3,130	3,380
Subordinated liabilities	2,745	3,214
Tier 3 capital	–	226
Total Capital	18,211	13,960
Tier 1 Ratio (in %)	10.0	6.6
Total Capital Ratio (in %)	16.3	13.3

⁽¹⁾ Presented pursuant to BIS.

⁽²⁾ Amount disclosed according to BIS/IFRS; figures for previous year according to BIS/HGB.

⁽³⁾ Amount disclosed as at December 31, 2004: maximum of 100% of the core capital.

There has been no material change in the regulatory capitalisation of Dresdner Bank and Dresdner Bank Group since December 31, 2005. For recent development of Group's regulatory capitalisation as per March 31, 2006, please refer to page 96 of this Prospectus.

Distributable profit (*Bilanzgewinn*) of Dresdner Bank

Coupon Payments on the Securities on a Due Date depend, among other things, on the distributable profit (*Bilanzgewinn*) of Dresdner Bank for the respective prior fiscal year. See "Summary of the Terms of the Securities".

The following table sets forth, as at December 31, 2004 and 2005, the distributable profit (*Bilanzgewinn*) as stated on page F-292 in the non-consolidated financial statements as of December 31, 2005 of Dresdner Bank :

	2005	2004
	(€ in millions)	
Distributable profit (<i>Bilanzgewinn</i>)	809	(42)
Net income/loss for the year (<i>Jahresüberschuss/Jahresfehlbetrag</i>)	1,587	(794)
Other retained earnings (<i>andere Gewinnrücklagen</i>)	782	–
Additional paid-in capital (<i>Kapitalrücklagen</i>)	4,436	4,729

Terms and Conditions of the Securities

The full text of the terms and conditions of the Securities is set forth below. As the Issuer's payment obligations under the Securities are contingent on receipt of Profit Distribution Payments, Arrears of Profit Distributions and the Repayment Amount from the Bank under the Cumulative Profit Participation Securities, Advances from the Lender under the Loan Agreement and payments from the Bank under the Indemnity Agreement, potential investors should carefully review and consider the terms and conditions of the Cumulative Profit Participation Securities (which can be found under "Terms and Conditions of the Cumulative Profit Participation Securities") and the provisions of the Loan Agreement (which can be found under "Terms of the Loan Agreement").

Nachfolgend sind die vollständigen Emissionsbedingungen der Wertpapiere dargestellt. Da die Zahlungspflichten der Emittentin im Hinblick auf die Wertpapiere vom Erhalt der Gewinnausschüttungszahlungen, ausgefallenen Gewinnausschüttungen und des Rückzahlungsbetrags der Bank auf die Kumulativen Genussscheine, der Darlehensauszahlungen der Darlehensgeberin gemäß dem Darlehensvertrag und der Zahlungen der Bank gemäß der Freistellungsvereinbarung abhängen, sollten potentielle Anleger die Bedingungen der Kumulativen Genussscheine (die unter „Terms and Conditions of the Cumulative Profit Participation Securities“ dargestellt sind) sowie die Bestimmungen des Darlehensvertrages (die unter „Terms of the Loan Agreement“ dargestellt sind) sorgfältig durchlesen und bei ihrer Anlageentscheidung berücksichtigen.

Emissionsbedingungen

der

€ 750.000.000 befristeten Ergänzungskapital-Wertpapiere

fällig 2016

der

UT2 Funding p.l.c.

(nachstehend als **Emittentin** bezeichnet)

§ 1 Definitionen und Auslegung

Definitionen: Sofern aus dem Zusammenhang nicht etwas anderes hervorgeht, haben die nachstehenden Begriffe folgende Bedeutung:

Ausgabetag bezeichnet den 20. Juli 2006.

Ausgefallene Gewinnausschüttung bezeichnet eine Gewinnausschüttung, welche aufgrund von § 5(3) der Genussscheinbedingungen nicht gezahlt wurde.

BaFin bezeichnet die Bundesanstalt für Finanzdienstleistungsaufsicht oder eine etwaige Nachfolgebehörde, die an deren Stelle tritt.

Bank bezeichnet die Dresdner Bank Aktiengesellschaft mit Sitz in Frankfurt am Main.

Der **Bilanzgewinn** schließt den Jahresüberschuss oder -fehlbetrag ein, zuzüglich des Gewinnvortrags aus den Vorjahren, abzüglich des Verlustvortrags aus den Vorjahren, zuzüglich der Entnahmen aus Kapital- und Gewinnrücklagen, abzüglich Einstellungen in Gewinnrücklagen, und zwar jeweils nach Maßgabe und in Übereinstimmung mit den anwendbaren Rechnungslegungsvorschriften sowie sonstigem zum maßgeblichen Zeitpunkt anwendbaren deutschen Recht.

Ein **Bilanzverlust** liegt dann vor, wenn die nicht konsolidierte Jahresbilanz der Bank auf Grundlage der anwendbaren Rechnungslegungsvorschriften nach Prüfung durch eine von der BaFin anerkannte Wirtschaftsprüfungsgesellschaft keinen Bilanzgewinn für das Geschäftsjahr, auf das sich die betreffende Gewinnausschüttung bezieht, aufweist.

Terms and Conditions

of the

€ 750,000,000 Dated Upper Tier 2 Securities

due 2016

issued by

UT2 Funding p.l.c.

(hereinafter called **Issuer**)

§ 1 Definitions and Interpretation

Definitions: Unless the context requires otherwise, the following terms will have the following meanings:

Issue Date means 20 July 2006.

Arrears of Profit Distribution means a Profit Distribution which has not been paid pursuant to § 5(3) of the CPPS Terms.

BaFin means the German Federal Financial Supervisory Authority or any successor agency taking its place.

Bank means Dresdner Bank Aktiengesellschaft having its seat in Frankfurt am Main.

The **Balance Sheet Profit** includes the annual net profit or net loss, plus any profit carried forward from previous years, minus any loss carried forward from previous years, plus transfers from capital reserves and earnings reserves, minus allocations to earnings reserves, all in compliance with, and determined in accordance with, the applicable accounting standards and other applicable German laws then in effect.

An **Annual Balance Sheet Loss** is present if the annual non-consolidated balance sheet of the Bank in accordance with the applicable accounting standards, as audited by an auditing firm which is recognised by the BaFin, does not show a Balance Sheet Profit for the fiscal year to which the relevant Profit Distribution relates.

Buchwert bezeichnet den Buchwert der Kumulativen Genussscheine, so wie dieser in der Bilanz der Bank für das jeweilige Geschäftsjahr der Bank festgestellt wurde.

Clearing System bezeichnet Clearstream Frankfurt.

Clearstream Frankfurt bezeichnet Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main.

Darlehensauszahlung hat die in § 4(3) festgelegte Bedeutung.

Darlehensgeberin bezeichnet die Bank.

Darlehensvertrag hat die in § 4(3) festgelegte Bedeutung.

Dauerglobalurkunde hat die in § 2(2) festgelegte Bedeutung.

Depotbank bezeichnet eine Bank oder ein sonstiges Finanzinstitut, die bzw. das zum Betreiben des Wertpapierdepotgeschäfts berechtigt ist und bei der bzw. dem der betreffende Emissionsgläubiger Wertpapiere in einem Wertpapierdepot verwahren lässt und die bzw. das ein Konto bei dem Clearing System unterhält.

Emissionsbedingungen bezeichnet diese Bedingungen der Wertpapiere.

Emissionsgläubiger bezeichnet die Inhaber eines Miteigentumsanteils oder -rechts an der Globalurkunde.

Emittentin hat die in § 2(1) festgelegte Bedeutung.

Erste Gewinnperiode hat die in § 4(1)(b) festgelegte Bedeutung.

Fälligkeitstag hat die in § 4(1)(c) festgelegte Bedeutung.

Frankfurter Wertpapierbörse bezeichnet die Wertpapierbörse in Frankfurt am Main, Deutschland.

Freistellungsvereinbarung bezeichnet die Vereinbarung zwischen der Emittentin und der Bank, nach der die Bank verpflichtet ist, für etwaige im Hinblick auf Zahlungen auf die Wertpapiere anfallende Quellensteuern in Irland Zahlungen an die Emittentin zu leisten.

Genussscheinbedingungen bezeichnet die Bedingungen der Kumulativen Genussscheine.

Geschäftstag bezeichnet jeden Tag, an dem TARGET (das Trans-European Automated Real-time Gross Settlement Express Transfer System) Buchungen oder Zahlungsanweisungen im Hinblick auf Zahlungen in Euro abwickelt.

Gewinnausschüttung hat die in § 4(1)(a) festgelegte Bedeutung.

Gewinnausschüttungszahlung hat die in § 4(1)(a) festgelegte Bedeutung.

Gewinnperiode hat die in § 4(1)(b) festgelegte Bedeutung.

Globalurkunde und **Globalurkunden** hat die in § 2(2) festgelegte Bedeutung.

Hauptzahlstelle hat die in § 13(1) festgelegte Bedeutung.

Irische Börse bezeichnet die Irish Stock Exchange Limited in Dublin, Irland.

Ein **Irishes Gross-up-Ereignis** liegt vor, wenn die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 10 zu zahlen.

Ein **Irishes Steuerereignis** liegt vor, wenn die Emittentin am oder nach dem Ausgabetag aufgrund einer Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) in Irland oder einer seiner Gebietskörperschaften oder einer seiner Steuerbehörden, oder als Folge einer Änderung der offiziellen Auslegung

Book Value means the book value of the Cumulative Profit Participation Securities as shown in the Bank's balance sheet for the Bank's respective fiscal year.

Clearing System means Clearstream Frankfurt.

Clearstream Frankfurt means Clearstream Banking AG, Neue Börsenstrasse 1, 60487 Frankfurt am Main.

Advance has the meaning specified in § 4(3).

Lender means the Bank.

Loan Agreement has the meaning specified in § 4(3).

Permanent Global Security has the meaning specified in § 2(2).

Custodian means any bank or other financial institution authorised to engage in securities custody business with which the relevant Securityholder maintains a securities account in respect of any Securities and which maintains an account with the Clearing System.

Terms and Conditions means these terms and conditions of the Securities.

Securityholder means any holder of a co-ownership interest or right in the Global Security.

Issuer has the meaning specified in § 2(1).

First Profit Period has the meaning specified in § 4(1)(b).

Due Date has the meaning specified in § 4(1)(c).

Frankfurt Stock Exchange means the stock exchange in Frankfurt am Main, Germany.

Indemnity Agreement means the agreement between the Issuer and the Bank pursuant to which the Bank is obliged to make payments to the Issuer in respect of withholding tax, if any, levied in Ireland in relation to payments under the Securities.

CPPS Terms means the terms and conditions of the Cumulative Profit Participation Securities.

Business Day means a day on which TARGET (the Trans-European Automated Real-time Gross settlement Express Transfer system) is operating credit or transfer instructions in respects of payments in Euro.

Profit Distribution has the meaning specified in § 4(1)(a).

Profit Distribution Payment has the meaning specified in § 4(1)(a).

Profit Period has the meaning specified in § 4(1)(b).

Global Security and **Global Securities** has the meaning specified in § 2(2).

Principal Paying Agent has the meaning specified in § 13(1).

Irish Stock Exchange means the Irish Stock Exchange Limited in Dublin, Ireland.

An **Irish Gross-up Event** shall be present if the Issuer has or will become obliged to pay Additional Amounts pursuant to § 10.

An **Irish Tax Event** is present if, on or after the Issue Date, as a result of any amendment to, or change in, the laws (or any rules or regulations thereunder) of Ireland or any political subdivision or any taxing authority thereof or therein, or as a result of any amendment to, or change in, an official interpretation or application of any such laws, rules or regu-

oder Anwendung solcher Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), in Irland einkommensteuerpflichtig werden könnte und Zinszahlungen, die von der Emittentin auf die Wertpapiere zu zahlen sind, von der Emittentin nicht für einkommensteuerliche Zwecke abzugsfähig sind und die Emittentin dieses Risiko nicht durch das Ergreifen zumutbarer Maßnahmen abwenden kann.

Irische Zahlstelle hat die in § 13(2) festgelegte Bedeutung.

Kapitalertragsteuer bezeichnet die nach Maßgabe von § 43 EStG einbehaltene Kapitalertragsteuer zuzüglich des Solidaritätszuschlags.

Kumulative Genussscheine hat die in § 4(1) festgelegte Bedeutung.

KWG bezeichnet das Kreditwesengesetz.

Londoner Zahlstelle hat die in § 13(2) festgelegte Bedeutung.

Nachfolgerin hat die in § 14(1) festgelegte Bedeutung.

Rückzahlungsbetrag bezeichnet entweder den Buchwert der Kumulativen Genussscheine, so wie dieser in der Bilanz der Bank für das Geschäftsjahr der Bank festgestellt wurde, das dem Rückzahlungstag unmittelbar voranging, oder den Gesamtnennbetrag der Kumulativen Genussscheine, je nachdem, welcher Betrag niedriger ist.

Rückzahlungstag hat die in § 7(1) festgelegte Bedeutung.

Sperrfrist hat die in § 2(2) festgelegte Bedeutung.

Steuererstattungsansprüche hat die in § 4(2) festgelegte Bedeutung.

Treuhänderischer Abtretungsvertrag hat die in § 3 festgelegte Bedeutung.

Tilgungszahlung hat die in § 7(1) festgelegte Bedeutung.

U. S. Person bezeichnet eine *U. S. person* im Sinne des US amerikanischen Internal Revenue Code von 1986 in seiner jeweils gültigen Fassung.

Vorläufige Globalurkunde hat die in § 2(2) festgelegte Bedeutung.

Wertpapiere hat die in § 2(1) festgelegte Bedeutung.

Zahlstelle und **Zahlstellen** hat die in § 13(2) festgelegte Bedeutung.

Zinsberechnungsmethode bezeichnet die Berechnung von Zinsen für einen kürzeren Zeitraum als ein Jahr auf Grundlage der Anzahl der tatsächlich vergangenen Tage des Zinsberechnungszeitraums geteilt durch die Anzahl der Tage (365 oder 366) in der jeweiligen Zinsperiode.

Zinsperiode bezeichnet jeweils den Zeitraum vom 30. Juni eines Jahres (einschließlich) bis zum 30. Juni des Folgejahres (ausschließlich), wobei die erste Zinsperiode vom Ausgabebetrag (einschließlich) bis zum 30. Juni 2007 (ausschließlich) läuft und die letzte Zinsperiode vom 30. Juni 2015 (einschließlich) bis zum 30. Juni 2016 (ausschließlich) läuft.

Zinszahlung hat die in § 6(1) festgelegte Bedeutung.

Zusätzliche Beträge hat die in § 10 festgelegte Bedeutung.

lations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), the Issuer could incur a corporation tax liability in Ireland and the Coupon Payments payable by the Issuer in respect of the Securities are not deductible by the Issuer for Irish income tax purposes, and that risk cannot be avoided by the Issuer taking such reasonable measures as it (acting in good faith) deems appropriate.

Irish Paying Agent has the meaning specified in § 13(2).

German Withholding Tax means German investment income tax levied in accordance with § 43 German Income Tax Act plus the solidarity surcharge.

Cumulative Profit Participation Securities has the meaning specified in § 4(1).

KWG means the German Banking Act.

London Paying Agent has the meaning specified in § 13(2).

Successor has the meaning specified in § 14(1).

Repayment Amount means the lower of the Book Value of the Cumulative Profit Participation Securities as shown in the Bank's non-consolidated balance sheet for the Bank's fiscal year immediately preceding the Repayment Date and their aggregate nominal amount.

Repayment Date has the meaning specified in § 7(1).

Restricted Period has the meaning specified in § 2(2).

Tax Refund Claims has the meaning specified in § 4(2).

Fiduciary Assignment Agreement has the meaning specified in § 3.

Redemption Payment has the meaning specified in § 7(1).

U. S. Person has the meaning specified in the United States Internal Revenue Code of 1986, as amended.

Temporary Global Security has the meaning specified in § 2(2).

Securities has the meaning specified in § 2(1).

Paying Agent and **Paying Agents** has the meaning specified in § 13(2).

Interest Calculation Method refers to the calculation of interest for a period of less than one year on the basis of the actual number of days in such period divided by the actual number of days (365 or 366) in the relevant Coupon Period.

Coupon Period means each period from (and including) 30 June of a year to (but excluding) 30 June of the next following year, provided that the first Coupon Period shall run from (and include) the Issue Date to (but excluding) 30 June 2007 and that the last Coupon Period shall run from (and include) 30 June 2015 to (but excluding) 30 June 2016.

Coupon Payment has the meaning specified in § 6(1).

Additional Amounts has the meaning specified in § 10.

Zusätzliche Rückzahlungsbeträge sind die unter den Voraussetzungen des § 8(2) der Genussscheinbedingungen gegebenenfalls zu zahlenden zusätzlichen Beträge.

Zusätzliche Rückzahlungstage sind entweder (i) der 30. Juni des jeweiligen Jahres nach dem Geschäftsjahr, für das ein Zusätzlicher Rückzahlungsbetrag zahlbar ist, oder, falls dies kein Geschäftstag ist, der darauffolgende Geschäftstag, oder (ii) falls am 29. Juni des Jahres, in dem ein Zusätzlicher Rückzahlungsbetrag zahlbar ist, der nicht konsolidierte Jahresabschluss der Bank für das maßgebliche Geschäftsjahr noch nicht festgestellt ist, der auf die Feststellung folgende Geschäftstag, je nachdem, welcher Tag der spätere ist.

§ 2 Stückelung; Verbriefung und Verwahrung; Übertragbarkeit

- (1) **Stückelung:** Die Emission der befristeten Ergänzungskapital-Wertpapiere im Gesamtnennbetrag von € 750.000.000 (in Worten: Euro siebenhundertfünfzig Millionen) der UT2 Funding p.l.c. (**Emittentin**) ist eingeteilt in 750.000 untereinander gleichrangige Teilschuldverschreibungen mit einem Nennbetrag von jeweils € 1.000 (die **Wertpapiere**).
- (2) **Verbriefung:** Die Wertpapiere werden zunächst durch eine vorläufige auf den Inhaber lautende Globalschuldverschreibung (die **Vorläufige Globalurkunde**) ohne Zinsscheine verbrieft; die Vorläufige Globalurkunde wird nicht früher als 40 Tage (dieser Zeitraum nachfolgend die **Sperrfrist**) und nicht später als 180 Tage nach dem Ausgabebetrag in eine endgültige auf den Inhaber lautende Globalschuldverschreibung (**Dauerglobalurkunde**), und die Vorläufige Globalurkunde gemeinsam mit der Dauerglobalurkunde die **Globalurkunden** und jede für sich eine **Globalurkunde**) ohne Zinsscheine ausgetauscht, und zwar gegen Nachweis über das Nichtbestehen U.S. amerikanischen wirtschaftlichen Eigentums (*U.S. beneficial ownership*) an den Wertpapieren, der nach Inhalt und Form den Anforderungen des Rechts der Vereinigten Staaten von Amerika und den dann bestehenden Usancen des Clearing Systems entspricht.
- (3) **Ausgabe und Verwahrung:** Die Vorläufige Globalurkunde und die Dauerglobalurkunde sind jeweils nur wirksam, wenn sie die eigenhändige Unterschrift einer durch die Emittentin bevollmächtigten Person sowie die Unterschrift eines Kontrollbeauftragten der Hauptzahlstelle tragen. Die Globalurkunden werden bei dem Clearing System hinterlegt, bis sämtliche Verpflichtungen der Emittentin aus den Wertpapieren erfüllt sind.
- (4) **Übertragbarkeit:** Den Emissionsgläubigern stehen Miteigentumsanteile oder -rechte an der Globalurkunde zu, die nach Maßgabe des anwendbaren Rechts und der jeweils geltenden Usancen des Clearing Systems übertragen werden können.

§ 3 Rang der Wertpapiere

Die Wertpapiere begründen unmittelbare, nicht nachrangige und (mit Ausnahme der Sicherungsübereignung der die Kumulativen Genussscheine verbriefenden Globalurkunde und der Sicherungsabtretung der Zahlungsansprüche der Emittentin aus den Kumulativen Genussscheinen, dem Darlehensvertrag und der Freistellungsvereinbarung gemäß eines zwischen der Emittentin, der Bank, der Darlehensgeberin und einem Security Trustee zugunsten der Emissionsgläubiger geschlossenen treuhänderischen Abtretungsvertrags (der **Treuhänderische Abtretungsvertrag**)) nicht besicherte bedingte Verbindlichkeiten der Emit-

Additional Repayment Amounts are additional amounts payable under § 8(2) of the CPPS Terms, if any.

Additional Repayment Dates means the later of (i) 30 June of each year in which an Additional Repayment Amount is payable or, if that date is not a Business Day, the next Business Day, or (ii) if on 29 June of the year in which an Additional Repayment Amount is payable the Bank's annual non-consolidated financial statements for the relevant fiscal year have not been approved (festgestellt), the Business Day following such approval.

§ 2 Denomination; Form and Custody, Transferability

- (1) **Denomination:** The issue of the Dated Upper Tier 2 Securities in the aggregate nominal amount of € 750,000,000 (in words: euro seven hundred fifty million) by UT2 Funding p.l.c. (**Issuer**) is divided into 750,000 notes, ranking *pari passu* among themselves, in the nominal amount of € 1,000 each (the **Securities**).
- (2) **Form:** The Securities will initially be represented by a temporary global bearer security (**Temporary Global Security**) without interest coupons, which will be exchanged not earlier than 40 days (this period hereinafter referred to as the **Restricted Period**) and not later than 180 days after the Issue Date against a permanent global bearer security (**Permanent Global Security**), and the Temporary Global Security together with the Permanent Global Security the **Global Securities** and each a **Global Security**) without interest coupons upon certification as to non U.S. beneficial ownership of the Securities, the contents and form of which shall correspond to the applicable requirements of the laws of the United States of America and the then prevailing standard practices of the Clearing System.
- (3) **Issuance and Custody:** Each of the Temporary Global Security and the Permanent Global Security shall only be valid if it bears the hand written signature of a duly authorised representative of the Issuer and the control signature of a person instructed by the Principal Paying Agent. The Global Securities shall be deposited with the Clearing System, until the Issuer has satisfied and discharged all its obligations under the Securities.
- (4) **Transferability:** The Securityholders will receive co-ownership interest or rights in the Global Security that are transferable in accordance with applicable law and applicable standards of the Clearing System.

§ 3 Ranking of the Securities

The Securities constitute direct, unsubordinated and (save for the security transfer of the global security representing the Cumulative Profit Participation Securities and the payment claims of the Issuer under the Cumulative Profit Participation Securities, the Loan Agreement and the Indemnity Agreement pursuant to a fiduciary assignment and transfer agreement entered into by and between the Issuer, the Bank, the Lender and a security trustee acting for the benefit of the Securityholders (the **Fiduciary Assignment Agreement**)) unsecured conditional obligations of the Issuer and rank *pari passu* among themselves and at least

tentin und sind untereinander gleichrangig und mindestens gleichrangig mit allen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin, soweit zwingendes Gesetzesrecht nichts anderes vorschreibt.

Keine der Parteien des Darlehensvertrags, der Freistellungsvereinbarung, des Treuhänderischen Abtretungsvertrags oder irgendeiner anderen Vereinbarung im Zusammenhang mit der Begebung der Wertpapiere und dem Erwerb der Kumulativen Genussscheine noch irgendein Dritter der für eine dieser Parteien handelt, ist berechtigt, (i) zu irgendeinem Zeitpunkt gegenüber der Emittentin ein Verfahren zur Abwicklung oder Auflösung, ein *Examinership* oder eine Restrukturierung oder ein Verfahren zur Bestellung eines Verwalters, *Examiners*, Insolvenzverwalters, Zwangsverwalter, Treuhänders, Liquidators oder Inhabers eines ähnlichen Amtes im Hinblick auf die Emittentin bzw. deren Einkünfte und Vermögen einzuleiten oder sich an der Einleitung eines solchen Verfahrens zu beteiligen (unbeschadet jedoch der Rechte des Sicherheitentreuhänders, die durch den Treuhänderischen Abtretungsvertrag begründeten Sicherheiten durchzusetzen), ausgenommen hiervon sind die Geltendmachung von Ansprüchen in der Liquidation der Emittentin, die von einem Dritten eingeleitet worden ist, sowie das Ergreifen rechtlicher Schritte, um ein Urteil oder einen anderen Titel im Hinblick auf die Verbindlichkeiten der Emittentin zu erlangen, oder (ii) Rückgriffsansprüche gegen Geschäftsführer (*Directors*), Gesellschafter oder Direktoren (*Officers*) der Emittentin im Hinblick auf Verpflichtungen, Zusicherungen oder Vereinbarungen geltend zu machen, die die Emittentin gemäß dem Treuhänderischen Abtretungsvertrag oder einem anderen Dokument im Zusammenhang mit der Begebung der Wertpapiere und dem Erwerb der Kumulativen Genussscheine abgegeben hat bzw. eingegangen ist.

§ 4 Kumulative Genussscheine; Darlehensvertrag; Freistellungsvereinbarung

- (1) **Kumulative Genussscheine:** Den Erlös aus der Begebung der Wertpapiere wird die Emittentin ausschließlich zu dem Zweck verwenden, von der Bank ausgegebene Genussscheine im Gesamtnennbetrag von € 750.000.000 (in Worten: Euro siebenhundertfünfzig Millionen) (die **Kumulativen Genussscheine**) zu erwerben.
- (a) **Gewinnausschüttungszahlungen:** Nach Maßgabe der Genussscheinbedingungen stehen der Emittentin als Gegenleistung für die Bereitstellung des Genussrechtskapitals Gewinnausschüttungen (**Gewinnausschüttungen**) zu, die jeweils jährlich nach Maßgabe der Genussscheinbedingungen für jedes Geschäftsjahr der Bank ermittelt und jährlich nachträglich am jeweiligen Fälligkeitstag ausgeschüttet werden (jeweils eine **Gewinnausschüttungszahlung**).
- (b) **Gewinnperioden; Erste Gewinnperiode:** Nach Maßgabe der Genussscheinbedingungen fallen auf das Genussrechtskapital Gewinnausschüttungen für Gewinnzeiträume (jeweils eine **Gewinnperiode**) an. Die erste Gewinnperiode (**Erste Gewinnperiode**) beginnt am Ausgabetag (einschließlich) und endet am 31. Dezember 2006 (einschließlich). Alle folgenden Gewinnperioden laufen jeweils vom 1. Januar eines Kalenderjahres (einschließlich) bis zum 31. Dezember (einschließlich) dieses Kalenderjahres.

pari passu with all unsubordinated und unsecured obligations of the Issuer, present or future, save for mandatory exceptions prescribed by statutory law.

None of the parties to the Loan Agreement, the Indemnity Agreement, the Fiduciary Assignment Agreement or any other agreement in connection with the issue of the Securities and the purchase of the Cumulative Profit Participation Securities, nor any person acting on their behalf, (i) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any proceedings for the winding-up, dissolution, examinership or re-organisation or for the appointment of a receiver, examiner, administrator, administrative receiver, trustee, liquidator, or similar officer of the Issuer or of any or all the Issuer's revenues and assets (but without prejudice to the rights of the security trustee to appoint a receiver or to otherwise enforce the security constituted by the Fiduciary Assignment Agreement), save for lodging a claim in the liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgement as to the obligations of the Issuer in relation thereto or (ii) shall have any recourse against any director, shareholder, or officer of the Issuer in respect of any obligations, covenant or agreement entered into or made by the Issuer pursuant to the terms of the Fiduciary Assignment Agreement or any other document in connection with the issue of the Securities and the purchase of the Cumulative Profit Participation Securities.

§ 4 Cumulative Profit Participation Securities; Loan Agreement; Indemnity Agreement

- (1) **Cumulative Profit Participation Securities:** The proceeds of the issue of the Securities will be used by the Issuer exclusively for the purpose of acquiring profit participation securities issued by the Bank in the aggregate nominal amount of € 750,000,000 (in words: euro seven hundred fifty million) (the **Cumulative Profit Participation Securities**).
- (a) **Profit Distribution Payments:** Under the CPPS Terms, the Issuer will earn, as consideration for providing profit participating capital, profit distributions (**Profit Distributions**) calculated annually in accordance with the CPPS Terms for each fiscal year of the Bank and payable annually in arrear on the relevant Due Date (each a **Profit Distribution Payment**).
- (b) **Profit Periods; First Profit Period:** Under the CPPS Terms, Profit Distributions on the profit participating capital accrue for profit periods (**Profit Periods**). The first Profit Period (**First Profit Period**) commences on (and includes) the Issue Date and ends on (and includes) 31 December 2006. Any Profit Period thereafter runs from (and includes) 1 January of each calendar year to (and includes) 31 December of such calendar year.

- (c) **Fälligkeitstage der Gewinnausschüttungszahlungen:** Jeder Tag, an dem nach Maßgabe der Genussscheinbedingungen eine Gewinnausschüttungszahlung fällig wird, ist ein **Fälligkeitstag**.

Nach Maßgabe der Genussscheinbedingungen ist jede Gewinnausschüttungszahlung zahlbar entweder (i) am 30. Juni eines Jahres nach Ablauf der maßgeblichen Gewinnperiode oder, falls dies kein Geschäftstag ist, am darauf folgenden Geschäftstag, oder (ii), falls an dem 29. Juni, der auf das Ende der maßgeblichen Gewinnperiode folgt, der geprüfte nicht konsolidierte Jahresabschluss der Bank für das maßgebliche Geschäftsjahr, auf das sich die maßgebliche Gewinnperiode bezieht, noch nicht festgestellt ist, an dem auf die Feststellung folgenden Geschäftstag, je nachdem, welcher Tag der spätere ist.

- (d) **Ausschluss der Gewinnausschüttung:** Nach Maßgabe der Genussscheinbedingungen ist eine Gewinnausschüttung für eine Gewinnperiode (einschließlich der Ersten Gewinnperiode) ausgeschlossen:

- (i) falls und soweit eine solche Zahlung, ggf. unter Berücksichtigung der Nachzahlung von Ausgefallenen Gewinnausschüttungen, zu einem Bilanzverlust in dem Geschäftsjahr der Bank, auf das sich die maßgebliche Gewinnperiode bezieht, führen oder diesen erhöhen würde; oder
- (ii) wenn eine Herabsetzung des Buchwerts der Kumulativen Genussscheine aufgrund von Bilanzverlusten der Bank erfolgt ist und noch keine vollständige Wiederauffüllung gemäß den Genussscheinbedingungen stattgefunden hat.

- (e) **Nachzahlung Ausgefallener Gewinnausschüttung:** Nach Maßgabe der Genussscheinbedingungen sind Ausgefallene Gewinnausschüttungen aus den Bilanzgewinnen nachfolgender Gewinnperioden, die vor dem Rückzahlungstag enden, nachzuzahlen. Die Nachzahlung erfolgt am Fälligkeitstag der Gewinnausschüttungszahlung der jeweils nächsten Gewinnperiode, in der ein Bilanzgewinn zur Verfügung steht. Reicht der Bilanzgewinn der jeweils letzten Gewinnperiode zur Zahlung der Ausgefallenen Gewinnausschüttungen sowie der Gewinnausschüttung für die jeweils letzte Gewinnperiode nicht aus, erfolgen Zahlungen zunächst auf die Ausgefallenen Gewinnausschüttungen und erst danach auf die Gewinnausschüttung für die jeweils letzte Gewinnperiode. Ausgefallene Gewinnausschüttungen werden nicht verzinst.

- (f) **Verfall von Ausgefallenen Gewinnausschüttungen und der Gewinnausschüttung für die letzte Gewinnperiode:** Ausgefallene Gewinnausschüttungen und die Gewinnausschüttung für die letzte Gewinnperiode, die aufgrund der unter (d) und (e) beschriebenen Bestimmungen nicht spätestens am Rückzahlungstag gezahlt werden, verfallen am Rückzahlungstag endgültig. Ein derartiger Verfall stellt keinen Verzug und keine Pflichtverletzung der Bank für irgendeinen Zweck dar.

- (g) **Vollständige Genussscheinbedingungen:** Die Genussscheinbedingungen werden diesen Emissionsbedingungen sowie der Globalurkunde als Anlage beigefügt und bilden mit diesen jeweils eine Einheit.

- (c) **Due Dates for Profit Distribution Payments:** Each date on which a Profit Distribution Payment falls due under the CPPS Terms is a **Due Date**.

Under the CPPS Terms, each Profit Distribution Payment is payable on the later of (i) 30 June following the end of the relevant Profit Period or, if that is not a Business Day, the next Business Day, or (ii) if on 29 June following the end of the relevant Profit Period the Bank's audited annual non-consolidated financial statements for the relevant fiscal year have not been approved (*festgestellt*), the Business Day following such approval.

- (d) **Profit Distributions Excluded:** Pursuant to the CPPS Terms, Profit Distributions for any Profit Period (including the First Profit Period) shall be excluded:

- (i) if and to the extent that payment of such Profit Distribution would, also taking into account the payment of Arrears of Profit Distributions, lead to or increase an Annual Balance Sheet Loss for the fiscal year of the Bank to which the relevant Profit Period relates; or
- (ii) if the Book Value of the Cumulative Profit Participation Securities has been reduced due to previous Annual Balance Sheet Losses of the Bank and has not yet been fully replenished as provided for in the CPPS Terms.

- (e) **Payment of Arrears of Profit Distributions:** Pursuant to the CPPS Terms, Arrears of Profit Distributions shall be paid out of Balance Sheet Profits of subsequent Profit Periods ending prior to the Repayment Date. The payment of Arrears of Profit Distributions shall be made on the Due Date for the Profit Distribution Payment in respect of the respective next Profit Period for which a Balance Sheet Profit is available. Should the Balance Sheet Profit for the last preceding Profit Period be insufficient for the payment of the Arrears of Profit Distribution and the Profit Distribution for the respective last Profit Period, payment shall first be made on the Arrears of Profit Distributions before any payment is made in respect of such Profit Distribution for the respective last Profit Period. Arrears of Profit Distributions shall not bear interest.

- (f) **Extinction of Arrears of Profit Distributions and the Profit Distribution for the last Profit Period:** Arrears of Profit Distributions and the Profit Distribution for the last Profit Period which are not paid on the Repayment Date due to the restrictions described in (d) and (e) above shall be extinguished on the Repayment Date. Such extinction shall not constitute a default or a breach of obligations on the part of the Bank for any purpose.

- (g) **Complete CPPS Terms:** The CPPS Terms are attached to these Terms and Conditions and to the Global Security and shall be deemed to constitute one document herewith.

- (2) **Steuererstattungsansprüche:** Bei Zahlung von Gewinnausschüttungszahlungen an die Emittentin und bei Wiederauffüllungen nach einer Herabsetzung des Buchwerts der Kumulativen Genussscheine nach Maßgabe der Genussscheinbedingungen ist die Bank verpflichtet, Kapitalertragsteuer auf die ausgeschütteten bzw. zur Auffüllung verwendeten Beträge einzubehalten. In Bezug auf diese Einbehalte geht die Emittentin davon aus, dass ihr gegenüber den deutschen Finanzbehörden Steuererstattungsansprüche zustehen (**Steuererstattungsansprüche**).
- (3) **Darlehensvertrag:** Steuererstattungsansprüche werden von der Emittentin beim Bundeszentralamt für Finanzen oder einer gegebenenfalls anderen zuständigen Finanzbehörde geltend gemacht, nachdem die Bank den Einbehalt vorgenommen hat. Demgemäß hat die Emittentin am oder um den 18. Juli 2006 mit der Darlehensgeberin einen Darlehensvertrag abgeschlossen (**Darlehensvertrag**), nach dem die Emittentin Auszahlungen (jeweils eine **Darlehensauszahlung**) erhält, um ihre Verpflichtung zur Zahlung von Zinszahlungen an den jeweiligen Fälligkeitstagen nachzukommen. Die Emittentin geht davon aus, die Darlehensauszahlungen mit den von den deutschen Finanzbehörden als Steuererstattungsansprüche erhaltenen Geldern zurückzuzahlen. Die Bestimmungen des Darlehensvertrages werden diesen Emissionsbedingungen sowie der Globalurkunde als Anlage beigefügt und bilden mit diesen jeweils eine Einheit.
- (4) **Freistellungsvereinbarung:** Gemäß einer zwischen der Bank und der Emittentin am oder um den 18. Juli 2006 geschlossenen Freistellungsvereinbarung (die **Freistellungsvereinbarung**) ist die Bank verpflichtet, Zahlungen an die Emittentin im Hinblick auf etwaige in Irland in Bezug auf Zahlungen auf die Wertpapiere erhobene Quellensteuern zu leisten. Die Emittentin wird die aufgrund der Freistellungsvereinbarung geleisteten Zahlungen verwenden, um ihre Verpflichtung zu erfüllen, etwaige Zusätzliche Beträge gemäß § 10 zu zahlen. Die Bestimmungen der Freistellungsvereinbarung werden diesen Emissionsbedingungen sowie der Globalurkunde als Anlage beigefügt und bilden mit diesen jeweils eine Einheit.

§ 5 Bindung der Emittentin; Rechtsverhältnisse

- (1) **Bindung der Emittentin:** Die Wertpapiere verbriefen die Verpflichtung der Emittentin, den Erlös aus der Begebung der Wertpapiere zum Erwerb der Kumulativen Genussscheine von der Bank zu verwenden und (i) die Gewinnausschüttungszahlungen, (ii) den Rückzahlungsbetrag und eventuell darauf aufgelaufene Zinsen, (iii) die etwaigen Zusätzlichen Rückzahlungsbeträge, (iv) die etwaigen Zahlungen aus der Freistellungsvereinbarung sowie (v) die Darlehensauszahlungen zu verwenden, um ihre Zahlungsverpflichtungen gegenüber den Emissionsgläubigern nach Maßgabe dieser Emissionsbedingungen zu erfüllen. Die Emittentin ist unter keinen Umständen verpflichtet, Zahlungen an die Emissionsgläubiger zu leisten, wenn sie nicht zuvor die ihr nach Maßgabe der Genussscheinbedingungen oder des Darlehensvertrages oder der Freistellungsvereinbarung zustehenden Beträge tatsächlich erhalten hat.
- (2) **Kein Rechtsverhältnis zwischen Emissionsgläubigern und Bank:** Durch die Kumulativen Genussscheine, den Darlehensvertrag und die Freistellungsvereinbarung werden keine Rechte der Emissionsgläubiger gegenüber der Bank begründet. Die Emissions-

- (2) **Tax Refund Claims:** Upon payment of Profit Distribution Payments to the Issuer and replenishments after a reduction of the Book Value of the Cumulative Profit Participation Securities in accordance with their terms and conditions, the Bank must withhold German Withholding Tax on the amounts distributed or used for replenishment. In relation to such withholdings, the Issuer expects to be entitled to refund claims against the German tax authorities (**Tax Refund Claims**).
- (3) **Loan Agreement:** Tax Refund Claims will be raised by the Issuer at the German Central Tax Office or any other competent tax authority after the withholding has been made by the Bank. Accordingly, the Issuer has entered into a loan agreement with the Lender on or about 18 July 2006 (**Loan Agreement**) pursuant to which the Issuer is entitled to obtain advances (each an **Advance**) in order to fund its obligations to make Coupon Payments on the relevant Due Dates. The Issuer expects to repay the Advances with the monies that it receives from the German tax authorities as Tax Refund Claims. The terms of the Loan Agreement are attached to these Terms and Conditions and to the Global Security and shall be deemed to constitute one document herewith.
- (4) **Indemnity Agreement:** Pursuant to an indemnity agreement dated on or about 18 July 2006 among the Bank and the Issuer (the **Indemnity Agreement**), the Bank is obliged to make payments to the Issuer in respect of withholding tax, if any, levied in Ireland in relation to payments under the Securities. The Issuer will use the payments under the Indemnity Agreement to fund its obligations in respect of Additional Amounts, if any, payable in accordance with § 10. The terms of the Indemnity Agreement are attached to these Terms and Conditions and to the Global Security and shall be deemed to constitute one document herewith.

§ 5 Issuer Commitment; Legal Relationships

- (1) **Issuer Commitment:** The Securities represent the Issuer's obligation to use the proceeds from the issue of the Securities for the purpose of acquiring the Cumulative Profit Participation Securities from the Bank, and to use (i) the Profit Distribution Payments, (ii) the Repayment Amount, including any interest accrued thereon, (iii) the Additional Repayment Amounts, if any, (iv) payments under the Indemnity Agreement, if any, and (v) the Advances to satisfy its payment obligations to the Securityholders under these Terms and Conditions. In no event will the Issuer be under any obligation to make payments to Securityholders without prior receipt of the relevant amounts due to the Issuer under the Cumulative Profit Participation Securities or the Loan Agreement or the Indemnity Agreement.
- (2) **No Relationship between Securityholders and Bank:** The Cumulative Profit Participation Securities, the Loan Agreement and the Indemnity Agreement do not create any rights for the Securityholders vis à vis the Bank. The Securityholders shall have no claims for

gläubiger sind nicht berechtigt, die Herausgabe von Kumulativen Genussscheinen an sich zu verlangen.

§ 6 Zinszahlungen

- (1) **Zinssatz und Fälligkeit:** An jedem Fälligkeitstag wird die Emittentin aus der jeweiligen Gewinnausschüttungszahlung und Darlehensauszahlung, die die Emittentin jeweils tatsächlich an diesem Fälligkeitstag von der Bank bzw. der Darlehensgeberin erhalten hat, Zinsen für die jeweilige Zinsperiode in Höhe von 5,321 % p. a. auf den Nennbetrag jedes Wertpapiers (wobei der je Wertpapier zahlbare Betrag jeweils auf den nächsten vollen Cent abzurunden ist) (jeweils eine **Zinszahlung**) zahlen. Falls die von der Bank an einem Fälligkeitstag geschuldete Gewinnausschüttungszahlung geringer ist als die nach den Genussscheinbedingungen an dem betreffenden Fälligkeitstag maximal fällig werdende Gewinnausschüttungszahlung, reduziert sich der auf jedes Wertpapier zahlbare Betrag entsprechend pro-rata-risch. Kommt es gemäß den Genussscheinbedingungen zur Nachzahlung ausgefallener Gewinnausschüttungszahlungen an die Emittentin, verwendet die Emittentin diese Gewinnausschüttungszahlung sowie die korrespondierende Darlehensauszahlung zur Nachzahlung von Zinszahlungen auf diese Wertpapiere, die aufgrund des Ausfalls der Gewinnausschüttungszahlung nicht oder nicht vollständig gezahlt wurden. Auf die einzelnen Wertpapiere entfällt jeweils ein verhältnismäßiger Anteil aller vorstehend genannten zahlbaren Beträge (auf den nächsten vollen Cent abgerundet).
- (2) **Keine Nachzahlungsverpflichtung in Bezug auf Zinszahlungen:** Vorbehaltlich § 6(1) Satz 3 ist die Emittentin ist nicht verpflichtet, Zinszahlungen, die aufgrund von § 5(1) oder § 6(1) ganz oder teilweise ausfallen, nachzuholen.
- (3) **Kein Ausgleich bei verspäteter Zahlung:** Falls der Tag der Zahlung der Gewinnausschüttungszahlung nach Maßgabe der Genussscheinbedingungen verschoben wird, erfolgt auf den insoweit nach dem 30. Juni gezahlten Betrag der Zinszahlung der maßgeblichen Zinsperiode keine Zahlung von Zinsen oder von sonstigen Beträgen.
- (4) **Bekanntmachung:** Die Emittentin wird die Emissionsgläubiger und, soweit dies von einer Wertpapierbörse, an der die Wertpapiere notiert werden, vorgesehen ist, dieser Wertpapierbörse unverzüglich gemäß § 15 benachrichtigen, wenn ihr bekannt wird, dass Zinszahlungen auf die Wertpapiere aufgrund von § 5(1) oder § 6(1) ganz oder teilweise ausfallen werden.
- (5) Berechnung von Zinszahlungen für Zinsperioden, die nicht einem Jahr entsprechen: Zinszahlungen für einen Zeitraum von weniger als einem Jahr werden auf Grundlage der Zinsberechnungsmethode berechnet.

§ 7 Rückzahlung

- (1) **Rückzahlung:** Am (i) 30. Juni 2016 oder, falls dies kein Geschäftstag ist, dem darauf folgenden Geschäftstag, oder (ii), falls am 29. Juni 2016 der nicht konsolidierte Jahresabschluss der Bank für das am 31. Dezember 2015 beendete Geschäftsjahr noch nicht festgestellt ist, dem auf die Feststellung folgenden Geschäftstag, je nachdem, welcher Tag der spätere ist, sowie an jedem anderen Tag, an dem die Kumulativen Genussscheine zur Rückzahlung fällig werden (der **Rückzahlungstag**) wird die Emittentin (a) den Rückzahlungsbetrag, (b) ihr nach Maßgabe der Genussscheinbedingungen noch zustehende Gewinnausschüttungszahlungen, (c) die

the delivery of Cumulative Profit Participation Securities to them.

§ 6 Coupon Payments

- (1) **Rate of Interest and Payment:** Using the proceeds of the relevant Profit Distribution Payment and Advance effectively received by the Issuer from the Bank and the Lender, respectively, from time to time on each Due Date, the Issuer shall pay on each Due Date interest for the respective Coupon Period at the rate of 5.321 per cent. *per annum* on the Nominal Amount of each Security (with the amount payable per Security being rounded down to the next full cent) (each such payment a **Coupon Payment**). To the extent that the Profit Distribution Payment owed by the Bank on a Due Date is lower than the maximum Profit Distribution Payment for the relevant Profit Period under the CPPS Terms, the amount payable under the Securities shall be reduced correspondingly and on a *pro rata* basis. If Arrears of Profit Distributions are paid to the Issuer pursuant to the CPPS Terms, the Issuer shall use the respective payment and any related Advance to make up for Coupon Payments on the Securities which have not previously been made as a result of the non-payment or a partial payment of Profit Distribution Payments. A *pro rata* share of the above-mentioned amounts payable (rounded down to the next full cent) shall be allocated to each Security.
- (2) **No Obligation to Compensate for Coupon Payments:** Subject to § 6(1) sentence 3, the Issuer shall be under no obligation to compensate subsequently any Securityholder for Coupon Payments which are not made in whole or in part due to § 5(1) or § 6(1).
- (3) **No Compensation for Late Payment:** No interest or further amounts will accrue or be payable on Coupon Payments for a Coupon Period which are paid after the 30 June as a result of the postponement of the payment date of a Profit Distribution Payment under the CPPS Terms.
- (4) **Notification:** The Issuer shall notify the Securityholders and, if required by the rules of any stock exchange on which the Securities are listed from time to time, such stock exchange, without delay pursuant to § 15 if it becomes known to the Issuer that Coupon Payments on the Securities will not be made in whole or will be made only in part as provided for by § 5(1) or § 6(1).
- (5) **Calculation of Coupon Payments for Periods other than one year:** Coupon Payments accrued for less than one year shall be calculated on the basis of the Interest Calculation Method.

§ 7 Redemption

- (1) **Repayment:** On the later of (i) 30 June 2016 or, if that is not a Business Day, the next Business Day, or (ii) if on 29 June 2016 the Bank's annual non-consolidated financial statements for the fiscal year ended 31 December 2015 have not been approved (*festgestellt*), the Business Day following such approval, as well as any other date on which the Cumulative Profit Participation Securities fall due for repayment (the **Repayment Date**), the Issuer will use (a) the Repayment Amount, (b) any Profit Distribution Payment due under the Cumulative Profit Participation Securities, (c) any amounts from corresponding Advances and (d) any amounts

Mittel aus diesbezüglichen Darlehensauszahlungen und (d) etwaige Zahlungen gemäß der Freistellungsvereinbarung, die sie jeweils tatsächlich von der Bank erhalten hat, zur Rückzahlung der Wertpapiere bzw. zur Zahlung aufgelaufener Zinsen auf die Wertpapiere an die Emissionsgläubiger verwenden (**Tilgungszahlung**). Reichen diese Mittel nicht aus, um eine Zahlung in Höhe des Gesamtnennbetrags der Wertpapiere sowie am Rückzahlungstag geschuldeter Zinsen zu leisten, vermindert sich die Tilgungszahlung auf die Wertpapiere entsprechend. Auf die einzelnen Wertpapiere entfällt ein jeweils verhältnismäßiger Anteil aller vorstehend genannten zahlbaren Beträge (auf den nächsten vollen Cent abgerundet).

- (2) Falls der am Rückzahlungstag zu zahlende Betrag der Tilgungszahlung niedriger ist als der Gesamtnennbetrag der Wertpapiere und falls und soweit der Emittentin Zusätzliche Rückzahlungsbeträge nach Maßgabe der Genussscheinbedingungen zustehen, wird die Emittentin sämtliche tatsächlich von der Bank erhaltenen Zusätzlichen Rückzahlungsbeträge zur Rückzahlung der Wertpapiere an die Emissionsgläubiger verwenden. Etwaige Zusätzliche Rückzahlungsbeträge werden nicht verzinst und sind zusammen mit entsprechenden Darlehensauszahlungen an dem jeweiligen Zusätzlichen Rückzahlungstag zu zahlen. Auf die einzelnen Wertpapiere entfällt ein jeweils verhältnismäßiger Anteil aller vorstehend genannten zahlbaren Beträge (auf den nächsten vollen Cent abgerundet).
- (3) **Erlöschen der Zahlungspflichten:** Durch die Zahlung nach Maßgabe von § 7(1) und (2) an die Emissionsgläubiger gilt das Kapital der Wertpapiere als vollständig zurückgezahlt und alle Ansprüche der Emissionsgläubiger gegenüber der Emittentin als erloschen.
- (4) **Bekanntmachung:** Die Emittentin wird den Rückzahlungstag und etwaige Zusätzliche Rückzahlungstage nach Maßgabe von § 15 gegenüber den Emissionsgläubigern mit einer Frist von nicht weniger als 30 Tagen und nicht mehr als 60 Tagen bekannt machen und die Irische Börse und die Frankfurter Wertpapierbörse entsprechend benachrichtigen.

§ 8 Kündigung durch Emittentin

- (1) Kündigung durch die Emittentin wegen eines Irischen Steuerereignisses oder eines Irischen Gross-up-Ereignisses: Die Emittentin ist berechtigt, die Wertpapiere vor dem Rückzahlungstag jederzeit unter Einhaltung einer Kündigungsfrist von mindestens 30 Tagen und höchstens 60 Tagen durch Mitteilung nach Maßgabe des § 15 mit sofortiger Wirkung zu kündigen, wenn ein Irisches Steuerereignis oder ein Irisches Gross-up-Ereignis eingetreten ist.
- (2) Eingeschränkte Zulässigkeit der Kündigung: Die Kündigung der Wertpapiere durch die Emittentin nach Maßgabe dieses § 8 ist nur zulässig, sofern die Rückzahlung der Wertpapiere zum Nennbetrag zuzüglich aufgelaufener Zinsen durch Ausgabe vergleichbarer Schuldverschreibungen oder auf andere Weise gesichert ist.

§ 9 Zahlungen

- (1) Befreiende Zahlung an das Clearing System: Die Emittentin verpflichtet sich, Zahlungen auf die Wertpapiere bei Fälligkeit in Euro an die Hauptzahlstelle zur Weiterleitung an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber bei dem Clearing System zu zahlen. Die Emittentin wird durch Leistung der Zahlung an das Clearing System

payable under the Indemnity Agreement effectively received by the Issuer from the Bank and the Lender, respectively, for the repayment of the Securities and/or the payment of interest accrued on the Securities to the Securityholders (**Redemption Payment**). To the extent that such amounts are not sufficient to pay the aggregate nominal amount of the Securities and interest falling due on the Repayment Date, the Redemption Payment shall be reduced accordingly. A *pro rata* share of the above amounts payable (rounded down to the next full cent) shall be allocated to the respective individual Securities.

- (2) If the Redemption Payment payable on the Repayment Date is less than the aggregate nominal amount of the Securities and, if and to the extent that the Issuer is entitled to Additional Repayment Amounts in accordance with the CPPS Terms the Issuer will use any Additional Repayment Amounts effectively received by the Issuer from the Bank respectively for the repayment of the Securities to the Securityholders. Any Additional Repayment Amounts shall not bear interest and will be payable on the relevant Additional Repayment Date. A *pro rata* share of the above amounts payable (rounded down to the next full cent) shall be allocated to the respective individual Securities.
- (3) **Discharge of Payment Obligations:** Upon payment to the Securityholders in accordance with § 7(1) and (2), the principal of the Securities shall be deemed fully repaid and all claims of the Securityholders against the Issuer shall be deemed discharged.
- (4) **Notification:** In accordance with § 15, the Issuer shall notify the Securityholders of the Repayment Date and Additional Repayment Dates, if any, within a notice period of not less than 30 days and not greater than 60 days and notify the Irish Stock Exchange and the Frankfurt Stock Exchange accordingly.

§ 8 Termination by the Issuer

- (1) Termination by the Issuer in case of an Irish Tax Event or an Irish Gross-up Event: The Issuer may call the Securities for redemption at any time prior to the Repayment Date, with immediate effect by giving not less than 30 days and not more than 60 days' prior notice in accordance with § 15 if an Irish Tax Event or an Irish Gross-up Event has occurred.
- (2) Limited Permissibility of Termination: Any termination of the Securities by the Issuer in accordance with this § 8 is only permissible if financing of the redemption of the Securities at their nominal amount plus any interest accrued thereon has been secured through the issuance of similar debt securities or in any other way.

§ 9 Payments

- (1) Discharge by Payment to the Clearing System: The Issuer undertakes to pay, as and when due, amounts due on the Securities in Euro to the Principal Paying Agent for onward payment to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System. Upon effecting the payment to the Clearing System or to its order, the Issuer shall be re-

oder dessen Order in Höhe der geleisteten Zahlung von ihrer Zahlungspflicht befreit.

- (2) Zahlung an Geschäftstagen: Falls eine Zahlung auf die Wertpapiere an einem Tag zu leisten ist, der kein Geschäftstag ist, so erfolgt die Zahlung am nächstfolgenden Geschäftstag. In diesem Fall steht den Emissionsgläubigern weder ein Zahlungsanspruch noch ein Anspruch auf Zinszahlungen oder eine andere Entschädigung wegen dieser Verzögerung zu.

§ 10 Steuern

Sämtliche auf die Wertpapiere zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in Irland für dessen Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde von oder in Irland auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin, jedoch nur, soweit sie die dafür erforderlichen Beträge tatsächlich von der Bank nach Maßgabe der Freistellungsvereinbarung erhalten hat, diejenigen zusätzlichen Beträge (**Zusätzlichen Beträge**) zahlen, die erforderlich sind, damit die den Emissionsgläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Emissionsgläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

- (1) auf andere Weise als durch Einbehalt oder Abzug von zahlbaren Beträgen zu entrichten sind; oder
- (2) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Emissionsgläubigers zu Irland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Wertpapiere aus Quellen in Irland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (3) bei Zahlungen an Einzelpersonen einzubehalten oder abzuziehen sind, wobei diese Einbehalte und Abzüge gemäß der Richtlinie des Rates 2003/48/EG oder jeder anderen Richtlinie der Europäischen Union zur Besteuerung privater Zinserträge erfolgen, die die Beschlüsse der ECOFIN Versammlung vom 3. Juni 2003 umsetzt oder auf Grund eines Gesetzes, das aufgrund dieser Richtlinie erlassen wurde, ihr entspricht oder eingeführt wurde, um einer solchen Richtlinie nachzukommen; oder
- (4) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung nach Maßgabe von § 15 wirksam wird; oder
- (5) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle in einem EU-Mitgliedstaat die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können.

§ 11 Kündigung durch Emissionsgläubiger

- (1) **Kündigungsgründe:** Jeder Emissionsgläubiger ist berechtigt, seine Wertpapiere durch Erklärung gegenüber der Hauptzahlstelle zu kündigen und deren sofortige Rückzahlung zum Nennbetrag zuzüglich etwaiger aufgelaufener Zinsen auf seine Wertpapiere bis zum Tag der tatsächlichen Rückzahlung zu verlangen, falls:

leased from its payment obligation in the amount of the payment effected.

- (2) Payment on Business Days: If any payment of any amount with respect to the Securities is to be effected on a day other than a Business Day, payment shall be effected on the next following Business Day. In this case, the Securityholders shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

§ 10 Taxes

All amounts payable in respect of the Securities 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 by or in or for the account of Ireland 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, but subject always to receipt thereof from the Bank under the Indemnity Agreement, pay such additional amounts (**Additional Amounts**) as shall be necessary in order that the net amounts received by the Securityholders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable by the Securityholders 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:

- (1) are payable otherwise than by withholding or deduction from amounts payable; or
- (2) are payable by reason of the Securityholder having, or having had some personal or business connection with Ireland and not merely by reason of the fact that payments in respect of the Securities are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, Ireland; or
- (3) are to be withheld or deducted from a payment to an individual, where such withholding or deduction is required to be made pursuant to the European Council Directive 2003/48/EC or any other European Union Directive on the taxation of savings income implementing the conclusions of the ECOFIN Council meeting of 3 June 2003 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (4) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for and notice thereof is published in accordance with § 15, whichever occurs later; or
- (5) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent in an EU member state without such deduction or withholding.

§ 11 Termination by Securityholders

- (1) **Events of Default:** Each Securityholder shall be entitled to declare due and payable by notice to the Principal Paying Agent its Securities and demand immediate redemption thereof at their nominal amount together with accrued interest (if any) on its Securities to the date of actual repayment, in the event that:

- (a) Kapital oder Zinsen auf die Wertpapiere nicht innerhalb von 15 Tagen nach dem betreffenden Fälligkeitstag gemäß §§ 6 und 7 gezahlt wurden; oder
- (b) die Emittentin die ordnungsgemäße Erfüllung einer sonstigen Verpflichtung aus den Wertpapieren unterlässt und diese Unterlassung länger als 30 Tage andauert, nachdem die Hauptzahlstelle hierüber eine Benachrichtigung von einem Emissionsgläubiger erhalten hat; oder
- (c) die Emittentin ihre Zahlungen einstellt; oder
- (d) die Emittentin ihre Zahlungsunfähigkeit bekannt gibt; oder
- (e) die Emittentin in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Konsolidierung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung, und diese andere oder neue Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin im Zusammenhang mit den Wertpapieren eingegangen ist; oder
- (f) ein Gericht ein Insolvenzverfahren oder ein Vergleichsverfahren zur Abwendung der Insolvenz oder des Konkurses oder ein vergleichbares Verfahren über das Vermögen der Emittentin eröffnet, und ein solches Verfahren nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt wird, oder die Emittentin die Eröffnung eines solchen Verfahrens beantragt oder einleitet oder eine allgemeine Schuldenregelung zugunsten ihrer Gläubiger anbietet oder trifft oder ein Dritter ein Insolvenzverfahren gegen die Emittentin beantragt und ein solches Verfahren nicht innerhalb einer Frist von 60 Tagen aufgehoben oder ausgesetzt wird.

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

- (2) **Quorum:** In den Fällen des § 11(1)(b), (c), und (d) wird eine Kündigungserklärung in Bezug auf die Wertpapiere, sofern nicht bei deren Eingang zugleich einer der in § 11(1)(a), (e) oder (f) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Hauptzahlstelle Kündigungserklärungen von Emissionsgläubigern mit einem Anteil von mindestens einem Zehntel des Gesamtnennbetrags der ausstehenden Wertpapiere eingegangen sind.
- (3) **Benachrichtigung:** Eine Benachrichtigung oder Kündigung gemäß § 11(1) hat in der Weise zu erfolgen, dass der Emissionsgläubiger der Hauptzahlstelle eine schriftliche Erklärung per Bote oder durch eingeschriebenen Brief übersendet und dabei wie in § 16(3) vorgesehen nachweist, dass er im Zeitpunkt der Erklärung Inhaber der betreffenden Wertpapiere ist.
- (4) **Mittel für die Rückzahlung bei Kündigung durch die Emissionsgläubiger:** Im Fall einer Kündigung der Wertpapiere durch die Emissionsgläubiger aufgrund dieses § 11 oder aus anderem Grund werden der Emittentin für dann auf gekündigte Wertpapiere zu leistende Zahlungen keine Mittel zur Verfügung stehen außer dem Rückzahlungsbetrag, etwaigen Zusätzlichen Rückzahlungsbeträgen, den Gewinnausschüttungszahlungen, den Zahlungen auf Ausgefallene Gewinnausschüttungen und Darlehensauszahlungen, welche die Emittentin aufgrund und im Einklang mit den Genusscheinbedingungen, der Freistellungsvereinbarung

- (a) principal or interest on the Securities have not been paid within 15 days from the relevant due date in accordance with §§ 6 and 7; or
- (b) the Issuer fails to duly perform any other obligation arising under the Securities and such failure continues for more than 30 days without cure after the Principal Paying Agent has received notice thereof from a Securityholder; or
- (c) the Issuer suspends its payments generally; or
- (d) the Issuer announces its inability to meet its financial obligations; or
- (e) the Issuer enters into liquidation, except in connection with a merger, consolidation or other form of combination with another company or in connection with a reorganisation and such other or new company assumes all obligations undertaken by the Issuer under or in connection with the Securities; or
- (f) a court institutes insolvency proceedings or composition proceedings to avert insolvency or bankruptcy or similar proceedings against the assets of the Issuer and such proceedings are not discharged or stayed within 60 days, or the Issuer applies for institution of such proceedings in respect of its assets or offers or makes a general arrangement for the benefit of its creditors generally, or a third party applies for insolvency proceedings against the Issuer and such proceedings are not discharged or stayed within 60 days.

The right to declare Securities due shall terminate if the cause of the termination has been cured before the right is exercised.

- (2) **Quorum:** In the events specified in § 11(1)(b), (c) and (d), any notice declaring the Securities due shall, unless at the time such notice is received any of the events of default specified in § 11(1)(a), (e) or (f) has occurred, become effective only when the Principal Paying Agent has received such notices from the Securityholders of at least one tenth of the aggregate nominal amount of Securities then outstanding.
- (3) **Notice:** Any notice in accordance with § 11(1) shall be given by means of a written declaration delivered by hand or registered mail to the Principal Paying Agent together with evidence in accordance with § 16(3) that such Securityholder, at the time of such written notice, is a holder of the relevant Securities.
- (4) **Funds in the Event of Termination by Securityholders:** In the event of a termination of any of the Securities pursuant to this § 11 or otherwise, the Issuer will have no funds available for payment of any amounts in respect of any terminated Securities other than any Repayment Amount, any Additional Repayment Amounts, Profit Distribution Payment, Arrears of Profit Distribution or Advances actually received by the Issuer under, and in accordance with, the CPPS Terms, the Indemnity Agreement and the Loan Agreement, respectively. Accordingly, the payment of any amounts in respect of any terminated Securities will be conditional

bzw. des Darlehensvertrags tatsächlich erhalten hat. Daher sind Zahlungen auf gekündigte Wertpapiere bedingt durch den tatsächlichen Erhalt der entsprechenden Beträge durch die Emittentin aufgrund der kumulativen Genussscheine, der Freistellungsvereinbarung bzw. des Darlehensvertrags.

§ 12 Vorlegungsfrist; Verjährung

Die Vorlegungsfrist gemäß § 801(1) Satz 1 BGB für die Wertpapiere wird auf zehn Jahre verkürzt. Die Verjährungsfrist für Ansprüche aus den Wertpapieren, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

§ 13 Zahlstellen

- (1) **Hauptzahlstelle:** Citibank, N.A., Niederlassung London ist die anfängliche Hauptzahlstelle (**Hauptzahlstelle**).
- (2) **Zusätzliche Zahlstellen:** Citibank International plc, Dublin (**Irische Zahlstelle**) und Citigroup Global Markets Deutschland AG & Co. KGaA, Frankfurt am Main (**Deutsche Zahlstelle**) sind als weitere Zahlstellen bestellt (gemeinsam mit der Hauptzahlstelle, die **Zahlstellen**). Die Emittentin wird dafür sorgen, dass solange Wertpapiere an der Irischen Börse notiert sind, immer eine Zahlstelle in Irland bestellt ist und, dass solange Wertpapiere an der Frankfurter Wertpapierbörse notiert sind, immer eine Zahlstelle in Deutschland bestellt ist. In keinem Fall darf die Adresse einer von der Emittentin benannten Zahlstelle innerhalb der Vereinigten Staaten oder deren Landesbesitzungen liegen.
- (3) **Ersetzung von Zahlstellen:** Die Emittentin wird dafür sorgen, dass stets eine Hauptzahlstelle vorhanden ist. Die Emittentin ist berechtigt, Banken von internationalem Ansehen als Hauptzahlstelle zu bestellen. Die Emittentin ist weiterhin berechtigt, die Bestellung einer Bank zur Hauptzahlstelle zu widerrufen. Im Falle einer solchen Abberufung oder, falls die bestellte Bank nicht mehr als Hauptzahlstelle tätig werden kann oder will, bestellt die Emittentin eine andere Bank von internationalem Ansehen als Hauptzahlstelle. Die Emittentin wird sich, soweit möglich, darum bemühen, dass stets eine Zahlstelle mit Geschäftsstelle in einem Mitgliedsstaat der Europäischen Union vorhanden ist, die nicht verpflichtet ist, Steuern einzubehalten oder abzuziehen, die bei Zahlungen an Einzelpersonen einzubehalten oder abzuziehen sind, wobei diese Einbehalte und Abzüge gemäß der Richtlinie des Rates 2003/48/EG oder jeder anderen Richtlinie der Europäischen Union zur Besteuerung privater Zinserträge erfolgen, die die Beschlüsse der ECOFIN Versammlung vom 3. Juni 2003 umsetzt oder auf Grund eines Gesetzes, das aufgrund dieser Richtlinie erlassen wurde, ihr entspricht oder eingeführt wurde, um einer solchen Richtlinie nachzukommen. Jede solche Bestellung oder ein solcher Widerruf der Bestellung ist unverzüglich gemäß § 15 oder, falls dies nicht möglich sein sollte, in sonstiger Weise öffentlich bekannt zu machen.
- (4) **Haftung der Zahlstellen:** Jede Zahlstelle haftet dafür, dass sie Erklärungen abgibt, nicht abgibt oder entgegennimmt oder Handlungen vornimmt oder unterlässt, nur, wenn und soweit sie die Sorgfalt eines ordentlichen Kaufmanns verletzt hat.
- (5) **Rechtsverhältnisse der Zahlstellen:** Die Zahlstellen sind in ihrer jeweiligen Funktion ausschließlich Beauftragte der Emittentin. Zwischen den Zahlstellen einer

upon the actual receipt of the requisite amounts by the Issuer under the Cumulative Profit Participation Securities, the Indemnity Agreement and the Loan Agreement.

§ 12 Presentation Period; Prescription

The period for presentation of the Securities (as provided for in § 801(1) sentence 1 of the German Civil Code) shall be reduced to ten years. The period of limitation for claims under the Securities presented during the period for presentation shall be two years calculated from the expiration of the relevant presentation period.

§ 13 Paying Agents

- (1) **Principal Paying Agent:** Citibank, N.A., London Branch shall be the initial principal paying agent (**Principal Paying Agent**).
- (2) **Additional Paying Agents:** Citibank International plc, Dublin (**Irish Paying Agent**) and Citigroup Global Markets Deutschland AG & Co. KGaA, Frankfurt am Main (**German Paying Agent**) shall be appointed as additional paying agents (together with the Principal Paying Agent, the **Paying Agents**). The Issuer shall procure that as long as the Securities are listed on the Irish Stock Exchange, there will at all times be a Paying Agent in Ireland and as long as the Securities are listed on the Frankfurt Stock Exchange, there will at all times be a Paying Agent in Germany. In no event shall the specified office of a Paying Agent appointed by the Issuer be within the United States or its possessions.
- (3) **Replacement of Paying Agents:** The Issuer shall procure that there will at all times be a Principal Paying Agent. The Issuer shall be entitled to appoint banks of international standing as Principal Paying Agent. Furthermore, the Issuer shall be entitled to terminate the appointment of a bank as Principal Paying Agent. In the event of such termination or such bank being unable or unwilling to continue to act as Principal Paying Agent, the Issuer shall appoint another bank of international standing as Principal Paying Agent. The Issuer shall to the extent possible procure that it will at all times maintain a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax from a payment to an individual, where such withholding or deduction is required to be made pursuant to the European Council Directive 2003/48/EC or any other European Union Directive on the taxation of savings income implementing the conclusions of the ECOFIN Council meeting of 3 June 2003 or any law implementing or complying with, or introduced in order to conform to, such Directive. Any such appointment or termination shall be published without undue delay in accordance with § 15, or, should this not be possible, shall be published in another way.
- (4) **Liability of Paying Agents:** Each Paying Agent shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, it fails to act with the diligence of a conscientious businessman.
- (5) **Paying Agent Legal Matters:** The Paying Agents, acting in such capacity, act only as agents of the Issuer. There is no agency or fiduciary relationship between the

seits und den Emissionsgläubigern andererseits besteht kein Auftrags- oder Treuhandverhältnis. Die Zahlstellen sind von den Beschränkungen des § 181 BGB und etwaigen gleichartigen Beschränkungen des anwendbaren Rechts anderer Rechtsordnungen befreit.

§ 14 Ersetzung

- (1) **Ersetzung:** Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Emissionsgläubiger im Wege (i) der Abtretung bzw. Vertragsübernahme oder (ii) einer gesellschaftsrechtlichen Umstrukturierung eine andere Gesellschaft an ihrer Stelle als Hauptschuldnerin und Hauptgläubigerin (**Nachfolgerin**) für alle Verpflichtungen und Rechte aus und im Zusammenhang mit den Wertpapieren, den Kumulativen Genussscheinen, dem Darlehensvertrag, der Freistellungsvereinbarung sowie sonstigen, mit diesen Verträgen zusammenhängenden Verträgen einzusetzen; allerdings nur sofern:
 - (a) die Emittentin sich nicht mit einer Zahlung auf die Wertpapiere in Verzug befindet;
 - (b) die Nachfolgerin alle Rechte und Verpflichtungen der Emittentin in Bezug auf die Wertpapiere übernimmt;
 - (c) die Emittentin und die Nachfolgerin alle erforderlichen Genehmigungen erhalten haben und berechtigt sind, die zur Erfüllung der Zahlungsverpflichtungen aus den Wertpapieren zahlbaren Beträge in Euro zu zahlen, ohne verpflichtet zu sein, in dem Land, in dem die Nachfolgerin oder die Emittentin ihren jeweiligen Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abziehen oder einzubehalten;
 - (d) die Nachfolgerin sich verpflichtet hat, die Emissionsgläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die den Emissionsgläubigern bezüglich der Ersetzung auferlegt werden; und
 - (e) die Ersetzung nicht zu einer erhöhten Belastung (i) der Nachfolgerin oder (ii) ihrer Anteilseigner (für den Fall einer Kapitalgesellschaft) bzw. Gesellschafter (für den Fall einer Personengesellschaft) mit Kapitalertrag oder sonstiger Abzugssteuer, etwaiger Vermögensteuer oder der Gewerbeertrag oder sonstiger Ertragsteuer führt, es sei denn, die Nachfolgerin und/oder deren Anteilseigner bzw. Gesellschafter werden für eine solche erhöhte Belastung entschädigt.
- (2) **Bekanntmachung der Ersetzung:** Jedwede Ersetzung gemäß diesem § 14 ist den Emissionsgläubigern unverzüglich nach Maßgabe von § 15 bekannt zu machen.
- (3) **Änderung von Bezugnahmen:** Im Fall einer Ersetzung gilt jedwede Bezugnahme in diesen Emissionsbedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgerin und jedwede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, als Bezugnahme auf das Land, in dem die Nachfolgerin ihren Sitz oder Steuersitz hat.

§ 15 Bekanntmachungen

- (1) **Mitteilungen über die Irische Börse:** Alle Bekanntmachungen an die Emissionsgläubiger werden, solange die Wertpapiere an der Irischen Börse notiert werden und die Irische Börse dies verlangt, durch Mitteilung

Paying Agents on the one hand and the Securityholders on the other hand. Each of the Paying Agents shall be exempt from the restrictions set forth in § 181 German Civil Code and similar restrictions of other applicable laws of other jurisdictions.

§ 14 Substitution

- (1) **Substitution:** The Issuer may, at any time and without the consent of the Securityholders, substitute by (i) assignment or contractual assumption or (ii) corporate restructuring another entity for the Issuer as principal debtor and creditor (**Successor**) in respect of all obligations and rights under and in connection with the Securities, the Cumulative Profit Participation Securities, the Loan Agreement, the Indemnity Agreement and any other agreements related thereto, provided that:
 - (a) the Issuer is not in default in respect of any payment owed under the Securities;
 - (b) the Successor assumes all rights and obligations of the Issuer under the Securities;
 - (c) the Issuer and the Successor have obtained all necessary permits and are authorised to comply with the payment obligations under the Securities by paying the amounts due in Euro without being obliged to withhold or deduct applicable tax or other duties of any kind in the respective country in which the Successor or the Issuer is domiciled or resident for tax purposes;
 - (d) the Successor has agreed to indemnify the Securityholders against such taxes, duties or other governmental charges as may be imposed on the Securityholders in connection with the substitution; and
 - (e) the substitution does not result in an increase in German Withholding Tax or any other withholding tax, in property tax, if applicable, trade income or any other income tax payable by (i) the Successor or (ii) its shareholders (if incorporated as a corporation) or partners (if established as a partnership), unless the Successor and/or its shareholders or partners are indemnified for such increase.
- (2) **Notification of Substitution:** Any substitution in accordance with this § 14 shall be notified to Securityholders in accordance with § 15 hereof without undue delay.
- (3) **Change in Reference:** Upon substitution, any references in these Terms and Conditions to the Issuer shall forthwith be deemed to be references to the Successor, and any references to the country of domicile or tax residence of the Issuer shall forthwith be deemed to be references to the country of domicile or tax residence of the Successor; in each case with effect from the substitution date.

§ 15 Notices

- (1) **Notices of the Irish Stock Exchange:** All notices to the Securityholders will be given by the Issuer, so long as any of the Securities are listed on the Irish Stock Exchange and the Irish Stock Exchange so requires, by

der Emittentin an das Company Announcements Office der Irischen Börse bekannt gemacht.

- (2) **Mitteilungen über die Presse:** Alle Bekanntmachungen an die Emissionsgläubiger werden, solange die Wertpapiere an der Frankfurter Wertpapierbörse notiert werden und die Frankfurter Wertpapierbörse dies verlangt, durch Veröffentlichung in einem Börsenpflichtblatt bekannt gemacht. Eine Mitteilung gilt mit dem Tag ihrer Veröffentlichung (oder bei mehreren Veröffentlichungen mit dem Tage der ersten Veröffentlichung) als erfolgt.
- (3) **Unmittelbare Mitteilungen:** Sofern die Regularien der Börse(n), an der die Wertpapiere notiert sind, dies zulassen, ist die Emittentin berechtigt, Bekanntmachungen auch durch eine Mitteilung an das Clearing System zur Weiterleitung an die Emissionsgläubiger oder direkt an die Emissionsgläubiger zu bewirken. Bekanntmachungen über das Clearing System gelten am siebten Tag nach der Mitteilung an das Clearing System, direkte Mitteilungen an die Emissionsgläubiger mit ihrem Zugang als bewirkt.
- (4) **Auslegung bei den Zahlstellen:** Die Texte sämtlicher Veröffentlichungen gemäß diesem § 15 sind außerdem in den Geschäftsräumen der Zahlstellen zugänglich zu machen.

§ 16 Schlussbestimmungen

- (1) **Anwendbares Recht:** Form und Inhalt der Wertpapiere sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach deutschem Recht und werden in Übereinstimmung damit ausgelegt.
- (2) **Gerichtsstand:** Jegliche aus oder im Zusammenhang mit den Wertpapieren entstehenden Klagen oder Verfahren unterliegen der nichtausschließlichen Zuständigkeit des Landgerichts Frankfurt am Main.
- (3) **Geltendmachung von Ansprüchen:** Jeder Emissionsgläubiger kann in Rechtsstreitigkeiten gegen die Emittentin oder in Rechtsstreitigkeiten, an denen der Emissionsgläubiger und die Emittentin beteiligt sind, in eigenen Namen seine Rechte aus den ihm zustehenden Wertpapieren unter Vorlage der folgenden Dokumente geltend machen:
 - (a) einer Bescheinigung seiner Depotbank, die (i) den vollen Namen und die volle Anschrift des Emissionsgläubiger bezeichnet (ii) den Gesamtnennbetrag von Wertpapieren angibt, die am Ausstellungstag dieser Bescheinigung dem bei dieser Depotbank bestehenden Wertpapierdepot dieses Emissionsgläubigers gutgeschrieben sind und (iii) bestätigt, dass die Depotbank dem Clearing System und der Hauptzahlstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (i) und (ii) enthält und Bestätigungsvermerke des Clearing Systems trägt; und
 - (b) einer von einem Vertretungsberechtigten des Clearing Systems oder einer Zahlstelle beglaubigten Ablichtung der Globalurkunde.
- (4) **Begebung weiterer Wertpapiere:** Die Emittentin ist berechtigt, bis zum 31. Dezember 2006 (einschließlich) jederzeit und ohne Zustimmung der Emissionsgläubiger weitere Wertpapiere mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Begebungstages, des Beginns der Verzinsung und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit den Wertpapieren eine einheitliche Serie bilden.

notification to the Company Announcements Office of the Irish Stock Exchange.

- (2) **Newspaper Notices:** All notices to the Securityholders will be given by the Issuer, so long as any of the Securities are listed on the Frankfurt Stock Exchange and the Frankfurt Stock Exchange so requires, by publication in a leading newspaper designated by the Frankfurt Stock Exchange. A notice shall be deemed to be made on the day of its publication (or, in the case of more than one publication, on the day of the first publication).
- (3) **Direct Notices:** The Issuer shall also be entitled to give notices to the Clearing System for communication by the Clearing System to the Securityholders or directly to the Securityholders provided that this complies with the rules of the stock exchange(s) on which the Securities are listed. Notifications vis à vis the Clearing System shall be deemed to be effected on the seventh day after the notification to the Clearing System, direct notifications to the Securityholders shall be deemed to be effected upon their receipt.
- (4) **Display at the Paying Agents:** The text of any publication to be made in accordance with this § 15 shall also be available at the specified office of each Paying Agent.

§ 16 Final Clauses

- (1) **Governing Law:** The form and content of the Securities as well as the rights and duties arising therefrom shall exclusively be governed by, and construed in accordance with, the laws of Germany.
- (2) **Jurisdiction:** The District Court in Frankfurt am Main shall have non exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Securities.
- (3) **Enforcement:** Any Securityholder may, in any proceedings against the Issuer or to which the Securityholder and the Issuer are parties, protect and enforce in its own name its rights arising under its Securities upon presentation of the following documents:
 - (a) a certificate issued by its Custodian (i) stating the full name and address of the Securityholder, (ii) specifying the aggregate nominal amount of Securities credited on the date of such statement to such Securityholder's securities account maintained with its Custodian and (iii) confirming that its Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information specified in (i) and (ii) and, bearing the acknowledgement of the Clearing System; and
 - (b) a copy of the Global Security, certified as being a true copy by a duly authorised officer of the Clearing System or by a Paying Agent.
- (4) **Further Issues of Securities:** The Issuer may, until (and including) 31 December 2006 and without the consent of Securityholders, issue further securities having the same terms and conditions as the Securities in all respects (or in all respects except for the date of issuance, commencement of interest and/or price of issue) so as to form a single series of securities with the Securities.

- (5) **Teilunwirksamkeit:** Sollte eine der Bestimmungen dieser Emissionsbedingungen ganz oder teilweise unwirksam und undurchführbar sein oder werden, so bleibt die Wirksamkeit oder die Durchführbarkeit der übrigen Bestimmungen hiervon unberührt. Anstelle der unwirksamen Bestimmung soll, soweit rechtlich möglich, eine dem Sinn und wirtschaftlichen Zweck dieser Emissionsbedingungen zum Zeitpunkt der Begebung der Wertpapiere entsprechende Regelung gelten. Unter Umständen, unter denen sich diese Emissionsbedingungen als unvollständig erweisen, soll eine ergänzende Auslegung, die dem Sinn und Zweck dieser Emissionsbedingungen entspricht, unter angemessener Berücksichtigung der berechtigten Interessen der beteiligten Parteien erfolgen.
- (6) **Bindende Fassung:** Die deutschsprachige Fassung dieser Emissionsbedingungen ist bindend.

- (5) **Severability:** Should any of the provisions of these Terms and Conditions be or become invalid or unenforceable in whole or in part, the validity or the enforceability of the remaining provisions shall not in any way be affected or impaired thereby. In this case the invalid provision shall be replaced by a provision which is, to the extent legally possible, in accordance with the meaning and the economic purposes of the Terms and Conditions at the time of the issue of the Securities. In circumstances in which these Terms and Conditions prove to be incomplete, a supplementary interpretation in accordance with the meaning and the purposes of these Terms and Conditions under due considerations of the legitimate interest of the parties involved shall be applied.
- (6) **Binding Version:** The German language version of these Terms and Conditions shall be the binding version.

Terms and Conditions of the Cumulative Profit Participation Securities

The full text of the terms and conditions of the Cumulative Profit Participation Securities is set forth below. As the Issuer's payment obligations under the Securities are contingent on receipt of Profit Distribution Payments, Arrears of Profit Distributions and the Repayment Amount from the Bank under the Cumulative Profit Participation Securities, Advances from the Lender under the Loan Agreement and payments from the Bank under the Indemnity Agreement, potential investors should carefully review and consider the terms and conditions of the Securities (which can be found under "Terms and Conditions of the Securities"), the terms and conditions of the Cumulative Profit Participation Securities set forth below and the provisions of the Loan Agreement (which can be found under "Terms of the Loan Agreement").

Nachfolgend sind die vollständigen Bedingungen der Kumulativen Genussscheine dargestellt. Da die Zahlungspflichten der Emittentin im Hinblick auf die Wertpapiere vom Erhalt der Gewinnausschüttungszahlungen, Ausgefallenen Gewinnausschüttungen und des Rückzahlungsbetrags der Bank auf die Kumulativen Genussscheine, der Darlehensauszahlungen der Darlehensgeberin gemäß dem Darlehensvertrag und der Zahlungen der Bank gemäß der Freistellungsvereinbarung abhängen, sollten potentielle Anleger die Emissionsbedingungen der Wertpapiere (die unter „Terms and Conditions of the Securities“ dargestellt sind), die nachfolgend dargestellten Bedingungen der Kumulativen Genussscheine sowie die Bestimmungen des Darlehensvertrages (die unter "Terms of the Loan Agreement" dargestellt sind) sorgfältig durchlesen und bei ihrer Anlageentscheidung berücksichtigen.

DER DEUTSCHE TEXT DER GENUSSCHEINBEDINGUNGEN IST RECHTSVERBINDLICH. DIE ENGLISCHE ÜBERSETZUNG DIENT LEDIGLICH DER INFORMATION.

THE GERMAN TEXT OF THE TERMS AND CONDITIONS OF THE CUMULATIVE PROFIT PARTICIPATION SECURITIES IS LEGALLY BINDING. THE ENGLISH TRANSLATION IS FOR CONVENIENCE ONLY.

Emissionsbedingungen

der

€ 750.000.000 Kumulativen Genussscheine 2006

der

Dresdner Bank Aktiengesellschaft

Frankfurt am Main

(nachstehend als **Bank** bezeichnet)

§ 1 Definitionen und Auslegung

Definitionen: Sofern aus dem Zusammenhang nicht etwas anderes hervorgeht, haben die nachstehenden Begriffe in diesen Genussscheinbedingungen folgende Bedeutung:

Anwendbare Rechnungslegungsvorschriften bezeichnet die jeweils für die Bank geltenden Rechnungslegungsvorschriften, die für die Aufstellung der nicht konsolidierten Jahresabschlüsse maßgebend sind. Die Anwendbaren Rechnungslegungsvorschriften zum Ausgabebetrag ergeben sich aus dem deutschen Handelsgesetzbuch (HGB).

Ausgabebetrag bezeichnet den 20. Juli 2006.

Ausgefallene Gewinnausschüttung bezeichnet eine Gewinnausschüttung, welche aufgrund von § 5(3) dieser Genussscheinbedingungen nicht gezahlt wurde.

BaFin bezeichnet die Bundesanstalt für Finanzdienstleistungsaufsicht oder eine etwaige Nachfolgebehörde, die an deren Stelle tritt.

Besserungsperiode hat die in § 8(2) festgelegte Bedeutung.

Der **Bilanzgewinn** schließt den Jahresüberschuss oder -fehlbetrag ein, zuzüglich des Gewinnvortrags aus den Vor-

of the

€ 750,000,000 Cumulative Profit Participation Securities 2006

issued by

Dresdner Bank Aktiengesellschaft

Frankfurt am Main

(hereinafter called **Bank**)

§ 1 Definitions and Interpretation

Definitions: Unless the context requires otherwise, the following terms shall have the following meanings in these terms and conditions:

Applicable Accounting Standards means the accounting standard applicable from time to time to the Bank which is obligatory for the drawing up of its non-consolidated annual financial statements. The Applicable Accounting Standard at the Issue Date is that defined by the German Commercial Code (*Handelsgesetzbuch*).

Issue Date shall mean 20 July] 2006.

Arrears of Profit Distribution means a Profit Distribution which has not been paid pursuant to § 5(3) of these Terms and Conditions.

BaFin means the German Federal Financial Supervisory Authority or any successor agency taking its place.

Recovery Period has the meaning specified in § 8(2).

The **Balance Sheet Profit** includes the annual net profit or net loss, plus any profit carried forward from previous years,

jahren, *abzüglich* des Verlustvortrags aus den Vorjahren, *zuzüglich* der Entnahmen aus Kapital- und Gewinnrücklagen, *abzüglich* Einstellungen in Gewinnrücklagen, und zwar jeweils nach Maßgabe und in Übereinstimmung mit den Anwendbaren Rechnungslegungsvorschriften sowie sonstigem zum maßgeblichen Zeitpunkt anwendbaren deutschen Recht.

Ein **Bilanzverlust** liegt dann vor, wenn die nicht konsolidierte Jahresbilanz der Bank auf Grundlage der Anwendbaren Rechnungslegungsvorschriften nach Prüfung durch eine von der BaFin anerkannte Wirtschaftsprüfungsgesellschaft keinen Bilanzgewinn für das Geschäftsjahr, auf das sich die betreffende Gewinnausschüttung bezieht, ausweist.

Buchwert bezeichnet den Buchwert der Kumulativen Genussscheine, so wie dieser in der jeweils letzten geprüften, nicht konsolidierten Jahresbilanz der Bank für das jeweilige Geschäftsjahr der Bank festgestellt wurde.

Ein **Deutsches Gross-up-Ereignis** liegt vor, wenn die Bank verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 9 zu zahlen.

Ein **Deutsches Steuerereignis** liegt vor, wenn aufgrund einer Änderung der Gesetze (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder einer ihrer Steuerbehörden, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung solcher Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle, Steuerbehörde oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), Gewinnausschüttungen, die von der Bank auf die Kumulativen Genussscheine zu zahlen sind von der Bank nicht mehr für die Zwecke der deutschen Körperschafts- und Gewerbesteuer abzugsfähig sind und die Bank dieses Risiko nicht durch das Ergreifen zumutbarer Maßnahmen abwenden kann.

Doppelbesteuerungsabkommen bezeichnet das zwischen der Bundesrepublik Deutschland und Irland geschlossene Doppelbesteuerungsabkommens vom 17. Oktober 1962.

Erste Gewinnperiode bezeichnet den Zeitraum vom Ausgabetag (einschließlich) bis zum 31. Dezember 2006 (einschließlich).

Freistellungsvereinbarung bezeichnet die Vereinbarung zwischen der UT2 Funding p.l.c. und der Bank, nach der die Bank verpflichtet ist, für etwaige gemäß den Emissionsbedingungen der Wertpapiere anfallende zusätzliche Beträge Zahlungen an die UT2 Funding p.l.c. zu leisten.

Genussscheinbedingungen bezeichnet diese Bedingungen der Kumulativen Genussscheine.

Genussscheininhaber bezeichnet die Inhaber eines Miteigentumsanteils oder -rechts an der Globalurkunde.

Geschäftstag bezeichnet jeden Tag, an dem TARGET (das Trans-European Automated Real-time Gross Settlement Express Transfer System) Buchungen oder Zahlungsanweisungen im Hinblick auf Zahlungen in Euro abwickelt.

Gewinnausschüttung bezeichnet die in der jeweiligen Gewinnperiode aufgelaufene Gewinnausschüttung.

Gewinnausschüttungszahlung hat die in § 4(2) festgelegte Bedeutung.

Gewinnperiode bezeichnet (mit Ausnahme der Ersten Gewinnperiode) jeweils den Zeitraum vom 1. Januar eines

minus any loss carried forward from previous years, *plus* transfers from capital reserves and earnings reserves, *minus* allocations to earnings reserves, all in compliance with, and determined in accordance with, the Applicable Accounting Standards and other applicable German laws then in effect.

An **Annual Balance Sheet Loss** is present if the annual non-consolidated balance sheet of the Bank in accordance with the Applicable Accounting Standards, as audited by an auditing firm which is recognised by the BaFin, does not show a Balance Sheet Profit for the fiscal year to which the relevant Profit Distribution relates.

Book Value means the book value of the Cumulative Profit Participation Securities as shown in each case in the Bank's last available audited non-consolidated annual balance sheet for the Bank's relevant fiscal year.

A **German Gross-up Event** shall be present if the Bank has or will become obliged to pay Additional Amounts pursuant to § 9.

A **German Tax Event** is present if as a result of any amendment to, or change in, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any taxing authority thereof or therein, or as a result of any amendment to, or change in, an official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency, tax authority or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), Profit Distributions payable by the Bank in respect of the Cumulative Profit Participation Securities are no longer deductible by the Bank for German corporate income tax and trade tax purposes, and that risk cannot be avoided by the Bank taking such reasonable measures as it (acting in good faith) deems appropriate.

Double Taxation Treaty means the double taxation treaty between the Federal Republic of Germany and Ireland as of 17 October 1962.

First Profit Period means the period from (and including) the Issue Date to (and including) 31 December 2006.

Indemnity Agreement means the agreement between UT2 Funding p.l.c. and the Bank pursuant to which the Bank is obliged to make payments to UT2 Funding p.l.c. in respect of additional amounts payable in accordance with the terms and conditions of the Securities, if any.

Terms and Conditions means these terms and conditions of the Cumulative Profit Participation Securities.

Holders means any holder of a co ownership interest or right in the Global Security.

Business Day means a day on which TARGET (the Trans-European Automated Real-time Gross settlement Express Transfer system) is operating credit or transfer instructions in respect of payments in Euro.

Profit Distribution means a profit distribution accrued in any Profit Period.

Profit Distribution Payment has the meaning specified in § 4(2).

Profit Period means each period (with the exception of the First Profit Period) from (and including) 1 January of each

Jahres (einschließlich) bis zum 31. Dezember (einschließlich) dieses Jahres; die letzte Gewinnperiode endet am 31. Dezember des Jahres, das dem Rückzahlungstag unmittelbar vorangeht.

Globalurkunde hat die in § 2(2) festgelegte Bedeutung.

Herabsetzung bezeichnet jede Herabsetzung des Rückzahlungsbetrages nach § 6(1).

Ein **Irishes Gross-Up Ereignis** liegt dann vor, wenn die Bank verpflichtet ist, gemäß der Freistellungsvereinbarung für etwaige gemäß den Emissionsbedingungen der Wertpapiere anfallende zusätzliche Beträge Zahlungen an die UT2 Funding p.l.c. zu leisten.

Kumulative Genussscheine hat die in § 2(1) festgelegte Bedeutung.

KWG bezeichnet das Gesetz über das Kreditwesen.

Der **Nennbetrag** ist € 1.000 je Kumulativem Genussschein.

Rückzahlungsbetrag bezeichnet entweder den Buchwert der Kumulativen Genussscheine, so wie dieser in der nicht konsolidierten Jahresbilanz der Bank für das Geschäftsjahr der Bank festgestellt wurde, das dem Rückzahlungstag unmittelbar vorangeht, oder den Gesamtnennbetrag der Kumulativen Genussscheine, je nachdem welcher Betrag niedriger ist.

Rückzahlungstag bezeichnet entweder den (i) 30. Juni 2016 oder, falls dies kein Geschäftstag ist, den darauffolgenden Geschäftstag, oder (ii), falls am 29. Juni 2016 der nicht konsolidierte Jahresabschluss der Bank für das am 31. Dezember 2015 beendete Geschäftsjahr noch nicht festgestellt ist, den auf die Feststellung folgenden Geschäftstag, je nachdem, welcher Tag der spätere ist.

Ein **Steuer-Rückerstattungsereignis** liegt vor, wenn aus jedweden Grund, einschließlich (aber nicht begrenzt auf) einer Änderung der Gesetze (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) in der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder einer ihrer Steuerbehörden oder des Doppelbesteuerungsabkommens, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung solcher Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen) bzw. im Fall des Doppelbesteuerungsabkommens durch eine Beendigung, Änderung der Bestimmungen, der Auslegung oder Anwendung dieses Abkommens, die UT2 Funding p.l.c. binnen einer Frist von 18 Monaten seit entsprechender Antragstellung keine Rückerstattung des im Wesentlichen vollständigen Betrages der gezahlten deutschen Kapitalertragsteuer (einschließlich des Solidaritätszuschlages) erhält oder ausweislich eines an die Bank adressierten Gutachtens eines international anerkannten Steuerberaters voraussichtlich nicht dauerhaft erhalten wird und UT2 Funding p.l.c. dieses Risiko nicht durch das Ergreifen zumutbarer Maßnahmen abwenden kann.

Wertpapiere bezeichnet die von der UT2 Funding p.l.c. am 20. Juli 2006 begebenen € 750.000.000 befristeten Ergänzungskapital-Wertpapiere.

Zinsberechnungsmethode bezeichnet die Berechnung von Zinsen für einen kürzeren Zeitraum als ein Jahr auf Grundlage der Anzahl der tatsächlich vergangenen Tage des Zinsberechnungszeitraums geteilt durch die Anzahl der Tage (365 oder 366) in dem jeweiligen Zinsjahr.

year to (and including) 31 December of such year; the last Profit Period ending on 31 December of the year immediately preceding the Repayment Date.

Global Security has the meaning specified in § 2(2).

Reduction means any reduction of the Repayment Amount pursuant to § 6(1).

An **Irish Gross-Up Event** is present if the Bank is obliged to make payments to UT2 Funding p.l.c. under the Indemnity Agreement in respect of additional amounts payable in accordance with the terms and conditions of the Securities, if any.

Cumulative Profit Participation Securities has the meaning specified in § 2(1).

KWG means the German Banking Act.

The **Nominal Amount** is € 1,000 per Cumulative Profit Participation Security.

Repayment Amount means the lower of the Book Value of the Cumulative Profit Participation Securities as shown in the Bank's annual non-consolidated balance sheet for the Bank's fiscal year immediately preceding the Repayment Date and their aggregate nominal amount.

Repayment Date means the later of (i) 30 June 2016 or, if that is not a Business Day, the next Business Day, or (ii) if on 29 June 2016 the Bank's annual non-consolidated financial statements for the fiscal year ended 31 December 2015 have not been approved (festgestellt), the Business Day following such approval.

A **Tax Refund Event** is present if for any reason, including but not limited to, any amendment to, or change in, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any taxing authority thereof or therein or of the Double Taxation Treaty, or as a result of any amendment to, or change in, an official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) or, in respect of the Double Taxation Treaty, as a result of a termination of, or any amendment to, or interpretation or application of, such treaty, UT2 Funding p.l.c., within 18 months from the filing of the relevant application, does not or, according to the opinion of a tax advisor of international standing which is addressed to the Bank, is unlikely to permanently receive a tax refund for substantially the full amount of German withholding tax (including solidarity surcharge (*Solidaritätszuschlag*)) paid, and that risk cannot be avoided by UT2 Funding p.l.c. taking reasonable measures.

Securities means the € 750,000,000 Dated Upper Tier 2 Securities issued by UT2 Funding p.l.c. on 20 July 2006.

Interest Calculation Method refers to the calculation of interest for a period of less than one year on the basis of the actual number of days in such period divided by the actual number of days (365 or 366) in the relevant interest year.

Zusätzliche Beträge hat die in § 9 festgelegte Bedeutung.

Zusätzliche Rückzahlungsbeträge sind die unter den Voraussetzungen des § 8(2) zu zahlenden zusätzlichen Beträge.

Zusätzliche Rückzahlungstage sind entweder (i) der 30. Juni des jeweiligen Jahres nach dem Geschäftsjahr, für das ein Zusätzlicher Rückzahlungsbetrag zahlbar ist, oder, falls dies kein Geschäftstag ist, der darauffolgende Geschäftstag, oder (ii) falls am 29. Juni des Jahres, in dem ein Zusätzlicher Rückzahlungsbetrag zahlbar ist, der nicht konsolidierte Jahresabschluss der Bank für das maßgebliche Geschäftsjahr noch nicht festgestellt ist, den auf die Feststellung folgenden Geschäftstag, je nachdem, welcher Tag der spätere ist.

§ 2 Stückelung; Verbriefung und Verwahrung; Übertragbarkeit

- (1) **Ausgabe und Stückelung:** Die Dresdner Bank Aktiengesellschaft, Frankfurt am Main (**Bank**) begibt aufgrund der von der Hauptversammlung am 8. März 2006 erteilten Ermächtigung unter Ausschluss des Bezugsrechts der Aktionäre Genussscheine im Gesamtnennbetrag von € 750.000.000 (in Worten: Euro siebenhundertfünfzig Millionen). Die Emission ist eingeteilt in 750.000 untereinander gleichrangige Genussscheine mit einem Nennbetrag von jeweils € 1.000 (die **Kumulativen Genussscheine**).
- (2) **Verbriefung:** Die Kumulativen Genussscheine werden durch eine auf den Inhaber lautende Globalurkunde (die **Globalurkunde**) ohne Zinsscheine verbrieft. Die Globalurkunde ist nur wirksam, wenn sie die eigenhändigen Unterschriften zweier durch die Bank bevollmächtigter Personen trägt.

§ 3 Rang der Kumulativen Genussscheine, Ausschluss der Aufrechnung

- (1) Die Zahlungsverpflichtungen der Bank aufgrund dieser Kumulativen Genussscheine sind im Falle der Insolvenz oder Liquidation der Bank:
 - (a) nachrangig gegenüber Forderungen aller bestehenden und künftigen Gläubiger der Bank (mit Ausnahme der unter (b) und (c) genannten Gläubiger);
 - (b) (prozentual zum fälligen Betrag) mindestens gleichrangig mit allen Forderungen auf Rückzahlung von oder Ausschüttungen auf Genussrechte(n) oder Genussscheine(n) und ggf. anderer Kapitalinstrumente des Ergänzungskapitals, sowie sonstiger nachrangiger Verbindlichkeiten gemäß § 10(5) und (5a) KWG; und
 - (c) vorrangig vor (y) allen Forderungen auf Rückzahlung von Kapitaleinlagen, die in Bezug auf bestehende und künftige stille Beteiligungen in die Bank eingebracht wurden, sowie (z) mit allen Forderungen gegen die Bank, die gleichrangig mit den Forderungen unter (y) sind oder als mit diesen gleichrangig bezeichnet werden; und vorrangig vor allen Forderungen von Anteilseignern der Bank im Zusammenhang mit ihren Anteilen am Grundkapital der Bank;soweit diese jeweils bereits begründet wurden oder in Zukunft begründet werden.
- (2) Die Genussscheininhaber sind nicht berechtigt, Forderungen aus den Kumulativen Genussscheinen mit et-

Additional Amounts has the meaning specified in § 9.

Additional Repayment Amounts are additional amounts payable under § 8(2), if any.

Additional Repayment Dates means the later of (i) 30 June of each year following the fiscal year with respect to which an Additional Repayment Amount is payable or, if that date is not a Business Day, the next Business Day, or (ii) if on 29 June of the year in which an Additional Repayment Amount is payable the Bank's annual non-consolidated financial statements for the relevant fiscal year have not been approved (festgestellt), the Business Day following such approval.

§ 2 Denomination; Form and Custody, Transferability

- (1) Issuance and Denomination: Dresdner Bank Aktiengesellschaft, Frankfurt am Main (**Bank**) hereby issues pursuant to the authorization granted by the shareholder meeting on 8 March 2006, under exclusion of subscription rights of shareholders, profit participation securities in the aggregate nominal amount of € 750,000,000 (in words: euro seven hundred fifty million). The issue is divided into 750,000 profit participation securities, ranking *pari passu* among themselves, in the nominal amount of € 1,000 each (the **Cumulative Profit Participation Securities**).
- (2) **Form:** The Cumulative Profit Participation Securities are represented by a global bearer security (the **Global Security**) without interest coupons. The Global Security shall only be valid if it bears the hand written signatures of two duly authorised representatives of the Bank.

§ 3 Ranking of the Cumulative Profit Participation Securities, No Right of Set-Off

- (1) In liquidation and insolvency of the Bank, the Bank's obligations under these Cumulative Profit Participation Securities:
 - (a) are subordinated to the claims of all existing and future creditors of the Bank (but excluding the creditors referred to under (b) and (c) below);
 - (b) rank at least *pari passu* (by percentage of the amount payable) with all claims for distributions under or the repayment of capital contributions made with respect to profit participation rights in the form of *Genussrechte* or *Genussscheine*, and other upper tier 2 capital instruments, if any, and any other subordinated debt in accordance with § 10(5) and (5a) KWG; and
 - (c) rank senior to (y) all claims for the repayment of capital contributions made with respect to existing and future silent participations in the Bank and (z) all claims against the Bank ranking or expressed to rank *pari passu* with the claims referred to under (y) above; and rank senior to all claims of shareholders of the Bank in connection with their shares in the statutory capital of the Bank;in each case as already arisen or arising in the future.
- (2) No Holder shall be entitled to set off any claims arising under the Cumulative Profit Participation Securities

waigen Forderungen der Bank gegen sie aufzurechnen. Die Bank ist nicht berechtigt, etwaige Forderungen gegenüber den Genussscheininhabern mit ihren Verbindlichkeiten aus den Kumulativen Genussscheinen aufzurechnen.

§ 4 Gewinnausschüttung auf die Kumulativen Genussscheine

- (1) **Allgemeines:** Als Gegenleistung für die Bereitstellung des Genussrechtskapitals stehen den Genussscheininhabern vom Ausgabetag (einschließlich) bis zum 31. Dezember 2015 (einschließlich) und vorbehaltlich der Bestimmungen von § 5 Gewinnausschüttungen zu, deren Höhe sich nach Maßgabe dieses § 4 bestimmt.
- (2) **Gewinnausschüttung:** Den Genussrechtsinhabern stehen vorbehaltlich § 5(3) Gewinnausschüttungen je Gewinnperiode in Höhe von 5,386% p.a. auf den Nennbetrag des Kumulativen Genussscheins entsprechend der tatsächlichen Kapitalüberlassung zu. Vorbehaltlich § 5(3) beträgt die Gewinnausschüttung der Ersten Gewinnperiode € 50,95 je Kumulativem Genussschein; Satz 1 dieses § 4(2) bleibt hiervon unberührt.
- (3) **Berechnung unterjähriger Gewinnausschüttungen:** Gewinnausschüttungen für einen Zeitraum von weniger als einem Jahr (mit Ausnahme der Ersten Gewinnperiode) werden auf Grundlage der Zinsberechnungsmethode berechnet.

§ 5 Zahlung der Gewinnausschüttungen, Zahlungsaufschub, Verfall von Gewinnausschüttungen

- (1) **Fälligkeit von Gewinnausschüttungen:** Vorbehaltlich der Bestimmungen von § 5(3) bis (5), wird jede Gewinnausschüttung zur Zahlung fällig entweder (i) am 30. Juni eines Jahres nach Ablauf der maßgeblichen Gewinnperiode oder (ii), falls an dem 29. Juni, der auf das Ende der maßgeblichen Gewinnperiode folgt, der nicht konsolidierte Jahresabschluss der Bank für das Geschäftsjahr, auf das sich die maßgebliche Gewinnperiode bezieht, noch nicht festgestellt ist, an dem auf die Feststellung folgenden Geschäftstag, je nachdem, welcher Tag der spätere ist (jeweils eine **Gewinnausschüttungszahlung**). Die Gewinnausschüttung wird vom Ende der jeweiligen Gewinnperiode bis zum Fälligkeitstag der Gewinnausschüttung nicht verzinst.
- (2) **Zahlung an Geschäftstagen; kein Ausgleich bei verspäteter Zahlung:** Falls der Tag, an dem eine Gewinnausschüttungszahlung nach Maßgabe des § 5(1) fällig wird, kein Geschäftstag ist, verschiebt sich die Fälligkeit auf den nächstfolgenden Geschäftstag; aufgrund einer solchen Verschiebung erfolgt keine Zahlung von Zinsen und keine Zahlung von weiteren Gewinnausschüttungen.
- (3) **Ausschluss der Gewinnausschüttung:** Eine Gewinnausschüttung für eine Gewinnperiode (einschließlich der Ersten Gewinnperiode) ist ausgeschlossen:
 - (a) falls und soweit eine solche Zahlung, ggf. unter Berücksichtigung der Nachzahlung von Ausgefallenen Gewinnausschüttungen gemäß § 5(4), zu einem Bilanzverlust in dem Geschäftsjahr der Bank, auf das sich die maßgebliche Gewinnperiode bezieht, führen oder diesen erhöhen würde; oder
 - (b) wenn eine Herabsetzung erfolgt ist und noch keine vollständige Wiederauffüllung gemäß § 6(3) stattgefunden hat.

against any claims that the Bank may have against it. The Bank may not set off any claims it may have against any Holder against any of its obligations under the Cumulative Profit Participation Securities.

§ 4 Profit Distribution on the Cumulative Profit Participation Securities

- (1) **General:** In consideration for the provision of the profit participating capital, the Holders shall be entitled, subject to the provisions of § 5, to Profit Distributions from (and including) the Issue Date to (and including) 31 December 2015 in the amounts specified in this § 4.
- (2) **Profit Distribution:** Subject to § 5(3), the Holders shall be entitled to Profit Distributions for each Profit Period and based on the actual period of time for which the capital has been provided at a rate, calculated by reference to the Nominal Amount of the Cumulative Profit Participation Security of 5.386 per cent. *per annum*. Subject to § 5(3), the Profit Distribution for the First Profit Period shall amount to € 50.95 per Cumulative Profit Participation Security; the first sentence of this § 4(2) shall remain unaffected.
- (3) **Calculation of short Profit Distributions:** Profit Distributions accrued for less than one year (other than for the First Profit Period) shall be calculated on the basis of the Interest Calculation Method.

§ 5 Profit Distribution Payments, Deferral of Payment, Extinction of Profit Distribution Payments

- (1) **Payment of Profit Distributions:** Subject to § 5(3) through (5), each Profit Distribution shall be payable on the later of (i) 30 June following the end of the relevant Profit Period or (ii) if on 29 June following the end of the relevant Profit Period the Bank's annual non-consolidated financial statements for the fiscal year to which the Profit Period relates have not been approved (festgestellt), the Business Day following such approval (each a **Profit Distribution Payment**). No interest shall accrue on the Profit Distribution from the end of the relevant Profit Period to the due date for such Profit Distribution.
- (2) **Payment on Business Days; no Compensation for Late Payment:** If a day on which a Profit Distribution Payment under § 5(1) falls due is not a Business Day, payment shall be postponed to the next following Business Day; no interest or further Profit Distribution will accrue or be payable as a result of such postponement.
- (3) **Profit Distributions excluded:** Profit Distributions for any Profit Period (including the First Profit Period) shall be excluded:
 - (a) if and to the extent that payment of such Profit Distribution would, also taking into account the payment of Arrears of Profit Distributions as provided for in § 5(4), lead to or increase an Annual Balance Sheet Loss for the fiscal year of the Bank to which the relevant Profit Period relates; or
 - (b) if a Reduction has occurred and the Cumulative Profit Participation Securities have not yet been fully replenished as provided for in § 6(3).

- (4) **Nachzahlung Ausgefallener Gewinnausschüttung:** Ausgefallene Gewinnausschüttungen sind aus den Bilanzgewinnen nachfolgender Gewinnperioden, die vor dem Rückzahlungstag enden, nachzuzahlen. Die Nachzahlung erfolgt am Fälligkeitstag der Gewinnausschüttungszahlung der jeweils nächsten Gewinnperiode, in der ein Bilanzgewinn zur Verfügung steht. Reicht ein solcher Bilanzgewinn zur Zahlung der Ausgefallenen Gewinnausschüttungen sowie der Gewinnausschüttung für die jeweils letzte Gewinnperiode nicht aus, erfolgen Zahlungen zunächst auf die Ausgefallenen Gewinnausschüttungen und erst danach auf die Gewinnausschüttung für die jeweils letzte Gewinnperiode. Ausgefallene Gewinnausschüttungen werden nicht verzinst.
- (5) **Verfall von Ausgefallenen Gewinnausschüttungen und der Gewinnausschüttung für die letzte Gewinnperiode:** Ausgefallene Gewinnausschüttungen und die Gewinnausschüttung für die letzte Gewinnperiode, die aufgrund der Bestimmungen von § 5(3) und (4) nicht spätestens am Rückzahlungstag gezahlt werden, verfallen am Rückzahlungstag endgültig. Ein derartiger Verfall stellt keinen Verzug und keine Pflichtverletzung der Bank dar.

§ 6 Verlustbeteiligung

- (1) **Verlustbeteiligung:** An einem Bilanzverlust nehmen die Kumulativen Genussscheine untereinander gleichrangig durch Herabsetzung ihres Rückzahlungsbeitrags entsprechend dem Verhältnis ihres Buchwerts am Ende der betreffenden Gewinnperiode zum Gesamtbuchwert aller aufsichtsrechtlichen Eigenkapitalanteile der Bank teil, die an einem Bilanzverlust der Bank teilnehmen (einschließlich der aufsichtsrechtlichen Eigenkapitalanteile der Bank, die zu dem relevanten Zeitpunkt aufgrund zeitlicher oder volumenmäßiger Beschränkungen aus aufsichtsrechtlicher Sicht nicht oder nicht mehr als Eigenkapital qualifizieren) (eine **Herabsetzung**).
- (2) **Begrenzung der Verlustbeteiligung auf Nennbetrag:** Die Gesamtverlustbeteiligung der Kumulativen Genussscheine ist auf ihren Nennbetrag beschränkt.
- (3) **Wiederauffüllung nach Verlustbeteiligung:** Nach einer Herabsetzung wird der Buchwert der Kumulativen Genussscheine in jedem der Herabsetzung nachfolgenden Geschäftsjahr der Bank bis zum Ablauf der Besserungsperiode bis zur vollständigen Höhe ihres Nennbetrages wieder aufgefüllt, soweit hierdurch kein Bilanzverlust entsteht oder erhöht würde.
- Die Wiederauffüllung nach einer Herabsetzung geht Dividendenzahlungen und anderen Ausschüttungen auf das Grundkapital und Einstellungen in die Rücklagen (mit Ausnahme der gesetzlichen Rücklage) der Bank vor. Im Verhältnis zu Kapitalgebern nach § 10(4) KWG (Vermögenseinlagen stiller Gesellschafter) erfolgt die Wiederauffüllung des Buchwerts der Kumulativen Genussscheine vorrangig, wenn die Bedingungen dieser Kapitalanlagen dies vorsehen. Ist dies nicht der Fall und gegenüber anderen Kapitalgebern nach § 10(5) KWG (Genussrechte) erfolgt die Wiederauffüllung gemäß diesem § 6(3) in der gleichen Reihenfolge und im gleichen Verhältnis wie die Beteiligung am Bilanzverlust.
- (4) **Keine Pflicht zur Aufdeckung von stillen Reserven oder der Auflösung bilanzieller Rücklagen:** Die Bank ist nicht verpflichtet, zur Vermeidung eines Bilanz-

- (4) **Payment of Arrears of Profit Distributions:** Arrears of Profit Distributions shall be paid out of Balance Sheet Profits of subsequent Profit Periods ending prior to the Repayment Date. The payment of Arrears of Profit Distributions shall be made on the due date for the Profit Distribution Payment in respect of the respective next Profit Period for which a Balance Sheet Profit is available. Should such Balance Sheet Profit be insufficient for the payment of the Arrears of Profit Distribution and the Profit Distribution for the respective last Profit Period, payment shall first be made on the Arrears of Profit Distributions before any payment is made in respect of such Profit Distribution for the respective last Profit Period. Arrears of Profit Distributions shall not bear interest.
- (5) **Extinction of Arrears of Profit Distributions and the Profit Distribution for the last Profit Period:** Arrears of Profit Distributions and the Profit Distribution for the last Profit Period which are not paid on the Repayment Date due to the restrictions set forth in § 5(3) and (4) shall be extinguished on the Repayment Date. Such extinction shall not constitute a default or a breach of obligations on the part of the Bank.

§ 6 Sharing in Losses

- (1) **Sharing in Losses:** The Cumulative Profit Participation Securities shall share in an Annual Balance Sheet Loss on a pari passu basis among themselves by a reduction of the Repayment Amount corresponding to the proportion which their Book Value bears at the end of the relevant Profit Period to the aggregate book value of all those components of the Bank's regulatory liable capital (*aufsichtsrechtliches Eigenkapital*) which participate in the Bank's Annual Balance Sheet Loss (including, however, those components of the Bank's regulatory liable capital which, due to time or size limitations, do not or do no longer qualify for regulatory purposes at the relevant time) (a **Reduction**).
- (2) **Limitation of Sharing in Losses to Nominal Amount:** The Cumulative Profit Participation Securities' aggregate share in all Annual Balance Sheet Losses shall be limited to their Nominal Amount.
- (3) **Replenishment after Reduction:** After a Reduction, the Book Value of the Cumulative Profit Participation Securities shall, in each fiscal year of the Bank following such Reduction up to the end of the Recovery Period, be replenished up to their full Nominal Amount, but only if and to the extent such replenishment would not cause or increase an Annual Balance Sheet Loss.
- The replenishment after a Reduction ranks senior to payments of dividends or other distributions on shareholder's equity and to allocations to reserves (with the exception of the statutory reserve). In relation to capital providers in accordance with § 10(4) KWG (silent participations), the replenishment on the Book Value of the Cumulative Profit Participation Securities will rank senior if the terms of such instruments provide therefor. If not and in relation to other capital providers in accordance with § 10(5) KWG (profit participation rights in the form of *Genussrechte* and *Genussscheine*), the replenishment pursuant to this § 6(3) shall be effected in the same priority and in the same proportion as the sharing in Annual Balance Sheet Losses.
- (4) **No Obligation to Realise Hidden Reserves or to make Withdrawals from On-balance Sheet Reserves:** The Bank shall not be obliged to realise hidden

verlusts stille Reserven aufzudecken oder bilanzielle Rücklagen aufzulösen.

reserves or to make withdrawals from on-balance sheet reserves in order to avoid an Annual Balance Sheet Loss.

§ 7 Keine Gesellschafterrechte

Die Genussscheine verbriefen ein Gläubigerrecht, mit dem keine Gesellschafter-Rechte, insbesondere keine Teilnahme-, Mitwirkungs- und Stimmrechte in der Hauptversammlung der Bank oder Bezugsrechte auf Wertpapiere der Bank verbunden sind. Die Kumulativen Genussscheine gewähren keinen Anteil am Liquidationserlös.

§ 7 No Shareholder Rights

The Cumulative Profit Participation Securities bear no shareholder rights, in particular no rights to participate, engage in or vote in the Bank's shareholder meeting or to subscribe any securities of the Bank. The Cumulative Profit Participation Securities do not convey any right in a liquidation surplus.

§ 8 Laufzeit der Kumulativen Genussscheine, Rückzahlung, Kündigung

- (1) **Laufzeit und Rückzahlung:** Die Laufzeit der Kumulativen Genussscheine ist bis zum 31. Dezember 2015 befristet. Der Rückzahlungsbetrag ist am Rückzahlungstag an die Genussscheininhaber zurückzuzahlen. Der Rückzahlungsbetrag wird vom 31. Dezember 2015 bis zum Fälligkeitstag des Rückzahlungsbetrags nicht verzinst.
- (2) **Zusätzliche Rückzahlungsbeträge:** Falls der am Rückzahlungstag zu zahlende Rückzahlungsbetrag niedriger ist als der Gesamtnennbetrag der Kumulativen Genussscheine, stehen den Genussscheininhabern Zusätzliche Rückzahlungsbeträge bis zur Höhe der Differenz zwischen dem Rückzahlungsbetrag und dem Gesamtnennbetrag der Kumulativen Genussscheine zu, falls und soweit in einem oder mehreren auf den Rückzahlungstag folgenden Geschäftsjahren der Bank, die am oder vor dem 31. Dezember 2019 enden (die **Besserungsperiode**), die Voraussetzung einer Wiederauffüllung gemäß § 6(3) vorliegen. Etwaige Zusätzliche Rückzahlungsbeträge sind an dem jeweiligen Zusätzlichen Rückzahlungstag zu zahlen. Etwaige Zusätzliche Rückzahlungsbeträge werden nicht verzinst.
- (3) **Kündigung durch die Bank wegen eines Irischen Gross-up Ereignisses oder Steuer-Rückerstattungsereignisses:** Wenn ein Irisches Gross-up Ereignis oder ein Steuer-Rückerstattungsereignis eingetreten ist und fortbesteht, ist die Bank berechtigt, die Kumulativen Genussscheine unter Einhaltung einer Kündigungsfrist von mindestens 30 und höchstens 60 Tagen, frühestens jedoch zum 31. Dezember 2011, durch Mitteilung nach Maßgabe des § 13 zu kündigen. In diesen Fällen ist der Rückzahlungstag entweder (i) der 30. Juni des Jahres, welcher auf das Wirksamwerden der Kündigung folgt oder, falls dies kein Geschäftstag ist, der darauf folgende Geschäftstag, oder (ii), falls an dem 29. Juni des betreffenden Jahres der geprüfte nicht konsolidierte Jahresabschluss der Bank für das am vorherigen 31. Dezember beendete Geschäftsjahr noch nicht festgestellt ist, der auf die Feststellung folgende Geschäftstag, je nachdem, welcher Tag der spätere ist. Die wirksame Ausübung des Kündigungsrechts nach diesem § 8(3) setzt voraus, dass der Buchwert der Kumulativen Genussscheine zum Zeitpunkt der Kündigung ihren Nennbetrag nicht unterschreitet und (i) die Bank die Kumulativen Genussscheine durch die Einzahlung anderen, mindestens gleichwertigen haftenden Eigenkapitals im Sinne des KWG ersetzt, oder (ii) die BaFin dieser vorzeitigen Rückzahlung vorher zustimmt.
- (4) **Kündigung durch die Bank wegen eines Deutschen Gross-up-Ereignisses oder eines Deutschen Steuerereignisses:** Die Bank ist berechtigt, die Kumulativen Genussscheine jederzeit unter Einhaltung einer Kündigungsfrist von mindestens 30 Tagen und höchstens 60 Tagen durch Mitteilung nach Maßgabe

§ 8 Term of the Cumulative Profit Participation Securities, Redemption, Termination

- (1) **Term:** The term of the Cumulative Profit Participation Securities ends on 31 December 2015. The Repayment Amount shall be repaid to the Holders on the Repayment Date. No interest shall accrue on the Repayment Amount from 31 December 2015 to the due date for such Repayment Amount.
- (2) **Additional Repayment Amounts:** If, on the Repayment Date, the Repayment Amount is less than the aggregate nominal amount of the Cumulative Profit Participation Securities, the Holders are entitled to Additional Repayment Amounts up to the amount of the difference between the Repayment Amount and the aggregate nominal amount of the Cumulative Profit Participation Securities, if and to the extent the requirements for a replenishment in accordance with § 6(3) are met in one or more of the fiscal years of the Bank that follow the Repayment Date and that end on or before 31 December 2019 (the **Recovery Period**). Any Additional Repayment Amounts are payable on the relevant Additional Repayment Date. Additional Repayment Amounts, if any, shall not bear interest.
- (3) **Termination by the Bank in case of an Irish Gross-up Event or a Tax Refund Event:** If an Irish Gross-up Event or a Tax Refund Event has occurred and is continuing, the Bank may call the Cumulative Profit Participation Securities for redemption at any time, but in no event as of any date prior to 31 December 2011, by giving not less than 30 days and not more than 60 days' prior notice in accordance with § 13. In these events, the Repayment Date shall be the later of (i) the 30 June following the effective date for the notice or, if that is not a Business Day, the next Business Day, or (ii) if on 29 June of the relevant year the Bank's audited non-consolidated annual financial statements for the Bank's fiscal year having ended on the preceding 31 December have not been approved (*festgestellt*), the Business Day following such approval. The effectiveness of the Banks' call for redemption of the Cumulative Profit Participation Securities pursuant to this § 8(3) is conditional upon the Book Value of the Cumulative Profit Participation Securities being equal to their Nominal Amount at the time of exercise of the call right and (i) the Bank replacing the Cumulative Profit Participation Securities with other, at least equivalent regulatory banking capital (*haftendes Eigenkapital*) within the meaning of the KWG, or (ii) prior approval of the BaFin to such early redemption.
- (4) **Termination by the Bank in case of a German Gross-up Event or a German Tax Event:** The Bank may call the Cumulative Profit Participation Securities for redemption at any time, with immediate effect by giving not less than 30 days and not more than 60 days' prior notice to the Paying Agent and the Holders in ac-

des § 13 gegenüber den Genussscheininhabern mit sofortiger Wirkung zu kündigen, wenn ein Deutsches Gross-up-Ereignis oder ein Deutsches Steuerereignis eingetreten ist und fortbesteht. Die wirksame Ausübung des Kündigungsrechts nach diesem § 8(4) setzt voraus, dass der Buchwert der Kumulativen Genussscheine zum Zeitpunkt der Kündigung ihren Nennbetrag nicht unterschreitet und (i) die Bank die Kumulativen Genussscheine durch die Einzahlung anderen, mindestens gleichwertigen haftenden Eigenkapitals im Sinne des KWG ersetzt, oder (ii) die BaFin dieser vorzeitigen Rückzahlung vorher zustimmt.

- (5) **Ausschluss der Kündigung aufgrund bestimmter Ereignisse:** Von Verschmelzungen, Umwandlungen oder Änderungen des Grundkapitals der Bank bleiben die Kumulativen Genussscheine unberührt.
- (6) **Ausschluss von Kündigungsrechten der Genussscheininhaber:** Die Genussscheininhaber sind zur Kündigung der Kumulativen Genussscheine nicht berechtigt.

§ 9 Steuern

Sämtliche auf die Kumulativen Genussscheine zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde von 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 Bank diejenigen zusätzlichen Beträge (**Zusätzlichen Beträge**) zahlen, die erforderlich sind, damit die den Genussscheininhabern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Genussscheininhabern empfangen worden wären; die Verpflichtung zur Zahlung solcher Zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

- (1) auf andere Weise als durch Einbehalt oder Abzug von zahlbaren Beträgen zu entrichten sind; oder
- (2) wegen einer (vermuteten) gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Genussscheininhabers zur Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Kumulativen Genussscheine aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder
- (3) bei Zahlungen an Einzelpersonen einzubehalten oder abzuziehen sind, wobei diese Einbehalte und Abzüge gemäß der Richtlinie des Rates 2003/48/EG oder jeder anderen Richtlinie der Europäischen Union zur Besteuerung privater Zinserträge erfolgen, die die Beschlüsse der ECOFIN Versammlung vom 3. Juni 2003 umsetzt oder auf Grund eines Gesetzes, das aufgrund dieser Richtlinie erlassen wurde, ihr entspricht oder eingeführt wurde, um einer solchen Richtlinie nachzukommen; oder
- (4) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Rückzahlungsbetrag oder Gewinnausschüttung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung nach Maßgabe von § 15 wirksam wird; oder

accordance with § 13 if a German Gross-up Event or a German Tax Event has occurred and is continuing. The effectiveness of the Banks' call for redemption of the Cumulative Profit Participation Securities pursuant to this § 8(4) is conditional upon the Book Value of the Cumulative Profit Participation Securities being equal to their Nominal Amount at the time of exercise of the call right and (i) the Bank replacing the Cumulative Profit Participation Securities with other, at least equivalent regulatory banking capital (*haftendes Eigenkapital*) within the meaning of the KWG, or (ii) prior approval of the BaFin to such early redemption.

- (5) **No termination by virtue of certain events:** The Cumulative Profit Participation Securities shall remain unaffected by mergers, conversions or changes in the registered share capital of the Bank.
- (6) **Exclusion of Holders' Termination Right:** The Holders are not entitled to terminate the Cumulative Profit Participation Securities.

§ 9 Taxes

All amounts payable in respect of the Cumulative Profit Participation Securities 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 by or in or for the account 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 Bank will pay such additional amounts (**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 by the Holders 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:

- (1) are payable otherwise than by withholding or deduction from amounts payable; or
- (2) are payable by reason of the Holder (being deemed as) 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 Cumulative Profit Participation Securities are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Federal Republic of Germany; or
- (3) are to be withheld or deducted from a payment to an individual, where such withholding or deduction is required to be made pursuant to the European Council Directive 2003/48/EC or any other European Union Directive on the taxation of savings income implementing the conclusions of the ECOFIN Council meeting of 3 June 2003 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (4) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment of the Repayment Amount or Profit Distribution becomes due, or is duly provided for and notice thereof is published in accordance with § 15, whichever occurs later; or

- (5) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle in einem EU-Mitgliedstaat die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können.
- (6) in Ansehung der deutschen Kapitalertragsteuer gemäß § 43 Abs. 1 Einkommensteuergesetz (in der jeweils gültigen Fassung) oder einer Nachfolgebestimmung zu zahlen sind; oder
- (7) den Genussscheininhaber oder einen Gesellschafter des Genussscheininhabers zu einer Steuererstattung und/oder einer Anrechnung auf seine Einkommen- oder Körperschaftsteuerschuld berechtigen, in Höhe der Erstattung und/oder Anrechnung.

Wenn Gewinnausschüttungszahlungen (einschließlich der Zahlung von Ausgefallenen Gewinnausschüttungen) an den Genussscheininhaber ausgeschüttet werden, ist die Bank verpflichtet, von den ausgeschütteten Beträgen Kapitalertragsteuer nach Maßgabe von § 43 EStG zuzüglich Solidaritätszuschlag einzubehalten, sofern nicht die Finanzbehörden Zahlungen an den Genussscheininhaber befreit haben.

§ 10 Zahlungen

- (1) **Befreiende Zahlung an ein Clearing System:** Für den Fall, dass die Globalurkunde bei einem Clearing System hinterlegt wurde, verpflichtet sich die Bank, Zahlungen auf die Kumulativen Genussscheine bei Fälligkeit in Euro an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber bei dem Clearing System zu zahlen. Die Bank wird durch Leistung der Zahlung an das Clearing System oder dessen Order in Höhe der geleisteten Zahlung von ihrer Zahlungspflicht befreit. Ansonsten leistet die Bank Zahlungen an den Inhaber der Globalurkunde gegen Vorlage und Aushändigung der Globalurkunde (oder, im Falle von Teilzahlungen, durch Indossament).
- (2) **Zahlung an Geschäftstagen:** Falls eine Zahlung auf die Kumulativen Genussscheine an einem Tag zu leisten ist, der kein Geschäftstag ist, so erfolgt die Zahlung am nächstfolgenden Geschäftstag. In diesem Fall steht den Genussscheininhabern weder ein Zahlungsanspruch noch ein Anspruch auf Zinszahlungen oder eine andere Entschädigung wegen einer solchen Verzögerung zu.

§ 11 Hinweis gemäß § 10(5) S. 1 Ziff. 6 KWG

- (1) **Verbot nachträglicher Änderungen zum Nachteil der Bank:** Nach Ausgabe der Kumulativen Genussscheine dürfen (i) weder die Verlustbeteiligung zum Nachteil der Bank verändert, (ii) noch die Nachrangigkeit eingeschränkt noch (iii) die Laufzeit oder Kündigungsfrist verkürzt werden.
- (2) **Rückzahlungsverpflichtung:** Ungeachtet anderweitiger Vereinbarungen sind vorzeitige Rückzahlungen auf die Kumulativen Genussscheine an die Bank zurückzuzahlen, es sei denn, (i) das Kapital wurde durch anderes mindestens gleichwertiges haftendes Eigenkapital ersetzt oder (ii) die BaFin stimmt der vorzeitigen Rückzahlung zu.

§ 12 Begebung weiteren Haftkapitals

Die Bank behält sich das Recht vor, weiteres haftendes Eigenkapital aufzunehmen und sonstige Verbindlichkeiten einzugehen. Ein Bezugsrecht der Genussscheininhaber auf derartige Instrumente besteht nicht.

- (5) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent in an EU member state without such deduction or withholding.
- (6) are payable in respect of German withholding tax pursuant to Sec. 43(1) of the German Income Tax Act (as amended from time to time), or a successor provision; or
- (7) entitle the Holder or a shareholder of the Holder to a tax refund and/or a tax credit towards its personal or corporate income tax liability, in the amount of the refund and/or tax credit.

For the avoidance of doubt, when Profit Distribution Payments (including payments of Arrears of Profit Distributions) are distributed to the Holder, the Bank must withhold German investment income tax levied in accordance with § 43 German Income Tax Act plus the "solidarity surcharge" on the distributed amounts, unless the tax authorities have granted an exemption for payments to the Holder.

§ 10 Payments

- (1) **Discharge by Payment to a Clearing System:** In case the Global Security has been deposited with a clearing system, the Bank undertakes to pay, as and when due, amounts due on Cumulative Profit Participation Securities in Euro to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System. Upon effecting the payment to the Clearing System or to its order, the Bank shall be released from its payment obligation in the amount of the payment effected. In all other cases, the Bank will make payment to the holder of the Global Security against presentation and surrender (or, in the case of part payment, endorsement) of the Global Security.
- (2) **Payment on Business Days:** If any payment of any amount with respect to Cumulative Profit Participation Securities is to be effected on a day other than a Business Day, payment shall be effected on the next following Business Day. In this case, the Holders shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

§ 11 Notice in Accordance with § 10(5) s. 1 no. 6 KWG

- (1) **Exclusion of Amendments to the Bank's Detriment:** After issuance of the Cumulative Profit Participation Securities, (i) their loss participation may not be amended to the Bank's detriment, (ii) their subordination may not be limited and (iii) neither their term nor their notice period may be shortened.
- (2) **Recontribution Obligation:** Any early repayment of the Cumulative Profit Participation Securities must be repaid to the Bank irrespective of any agreement to the contrary, unless (i) the capital has been replaced by other, at least equivalent regulatory banking capital or (ii) the BaFin agrees to the early repayment.

§ 12 Issue of Additional Liabile Capital

The Bank reserves the right to raise additional regulatory banking capital and other liabilities. Holders shall not have any subscription rights to such instruments.

§ 13 Bekanntmachungen

Bekanntmachungen der Bank, die die Kumulativen Genussscheine betreffen, erfolgen (i) gegenüber Genussscheininhabern, die der Bank bekannt sind, schriftlich, per Fax oder Email bzw. (ii) gegenüber Genussscheininhabern, die der Bank nicht bekannt sind, durch Veröffentlichung im elektronischen Bundesanzeiger und gegebenenfalls in je einem Pflichtblatt derjenigen deutschen Börse, an dem die Kumulativen Genussscheine zum Börsenhandel zugelassen sind. Zur rechtlichen Wirksamkeit genügt die Veröffentlichung im elektronischen Bundesanzeiger.

§ 14 Schlussbestimmungen

- (1) **Anwendbares Recht:** Form und Inhalt der Kumulativen Genussscheine sowie alle sich daraus ergebenden Rechte und Pflichten bestimmen sich ausschließlich nach deutschem Recht und werden in Übereinstimmung damit ausgelegt.
- (2) **Gerichtsstand:** Jegliche aus oder im Zusammenhang mit den Kumulativen Genussscheinen entstehenden Klagen oder Verfahren unterliegen der ausschließlichen Zuständigkeit des Landgerichts Frankfurt am Main, soweit nicht zwingende gesetzliche Bestimmungen etwas anderes bestimmen.
- (3) **Begebung weiterer Kumulativer Genussscheine:** Die Bank ist berechtigt, bis zum 31. Dezember 2006 (einschließlich) jederzeit und ohne Zustimmung der Genussscheininhaber weitere Wertpapiere mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Begebungstages, des Beginns der Verzinsung und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit den Kumulativen Genussscheinen eine einheitliche Serie von Wertpapieren bilden.
- (4) **Teilunwirksamkeit:** Sollte eine der Bestimmungen dieser Genussscheinbedingungen ganz oder teilweise unwirksam und undurchführbar sein oder werden, so bleibt die Wirksamkeit oder die Durchführbarkeit der übrigen Bestimmungen hiervon unberührt. Anstelle der unwirksamen Bestimmung soll, soweit rechtlich möglich, eine dem Sinn und wirtschaftlichen Zweck dieser Genussscheinbedingungen zum Zeitpunkt der Begebung der Kumulativen Genussscheine entsprechende Regelung gelten. Unter Umständen, unter denen sich diese Genussscheinbedingungen als unvollständig erweisen, soll eine ergänzende Auslegung, die dem Sinn und Zweck dieser Genussscheinbedingungen entspricht, unter angemessener Berücksichtigung der berechtigten Interessen der beteiligten Parteien erfolgen.
- (5) **Bindende Fassung:** Die deutschsprachige Fassung dieser Genussscheinbedingungen ist bindend.

§ 13 Notices

All notices by the Bank concerning the Cumulative Profit Participation Securities will be given by the Bank (i) vis-à-vis Holders who are known to the Bank in writing, by fax or email and (ii) vis-à-vis Holders who are not known to the Bank in the electronic Federal Gazette (*Bundesanzeiger*) and, if applicable, in at least one stock exchange approved newspaper of such German exchange on which the Cumulative Profit Participation Securities may be admitted to trading from time to time. Publication in the electronic Federal Gazette shall suffice to give legal effect to any notice.

§ 14 Final Clauses

- (1) **Governing Law:** The form and content of the Cumulative Profit Participation Securities as well as the rights and duties arising therefrom are exclusively governed by, and construed in accordance with, the laws of Germany.
- (2) **Jurisdiction:** The District Court in Frankfurt am Main shall have exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Cumulative Profit Participation Securities save as required by mandatory provisions of law.
- (3) **Further Issues of Cumulative Profit Participation Securities:** The Bank may, until (and including) 31 December 2006 and without the consent of Holders, issue further securities having the same terms and conditions as the Cumulative Profit Participation Securities in all respects (or in all respects except for the date of issuance, commencement of interest and/or price of issue) so as to form a single series of securities with the Cumulative Profit Participation Securities.
- (4) **Severability:** Should any of the provisions of these Terms and Conditions be or become invalid or unenforceable in whole or in part, the validity or the enforceability of the remaining provisions shall not in any way be affected or impaired thereby. In this case the invalid provision shall be replaced by a provision which is, to the extent legally possible, in accordance with the meaning and the economic purposes of the Terms and Conditions at the time of the issue of the Cumulative Profit Participation Securities. In circumstances in which these Terms and Conditions prove to be incomplete, a supplementary interpretation in accordance with the meaning and the purposes of these Terms and Conditions under due considerations of the legitimate interest of the parties involved shall be applied.
- (5) **Binding Version:** The German language version of these Terms and Conditions shall be the binding version.

Terms of the Loan Agreement

The full text of the terms of the Loan Agreement is set forth below. As the Issuer's payment obligations under the Securities are contingent on receipt of Profit Distribution Payments, Arrears of Profit Distributions and the Repayment Amount from the Bank under the Cumulative Profit Participation Securities, Advances from the Lender under the Loan Agreement and payments from the Bank under the Indemnity Agreement, potential investors should carefully review and consider the terms and conditions of the Securities (which can be found under "Terms and Conditions of the Securities"), the provisions of the Cumulative Profit Participation Securities (which can be found under "Terms of the Cumulative Profit Participation Securities") and the provisions of the Loan Agreement set forth below.

Nachfolgend sind die vollständigen Bestimmungen des Darlehensvertrages dargestellt. Da die Zahlungspflichten der Emittentin im Hinblick auf die Wertpapiere vom Erhalt der Gewinnausschüttungszahlungen, Ausgefallenen Gewinnausschüttungen und des Rückzahlungsbetrags der Bank auf die Kumulativen Genussscheine, der Darlehensauszahlungen der Darlehensgeberin gemäß dem Darlehensvertrag und der Zahlungen der Bank gemäß der Freistellungsvereinbarung abhängen, sollten potentielle Anleger die Emissionsbedingungen der Wertpapiere (die unter „Terms and Conditions of the Securities“ dargestellt sind), die Bedingungen der Kumulativen Genussscheine (die unter „Terms and Conditions of the Cumulative Profit Participation Securities“ dargestellt sind) sowie die nachfolgend dargestellten Bestimmungen des Darlehensvertrages sorgfältig durchlesen und bei ihrer Anlageentscheidung berücksichtigen.

DER DEUTSCHE TEXT DES DARLEHENSVERTRAGES IST RECHTSVERBINDLICH. DIE ENGLISCHE ÜBERSETZUNG DIENT LEDIGLICH DER INFORMATION.

DIESER VERTRAG wird am [•] 2006 abgeschlossen zwischen:

- (1) **UT2 FUNDING P.L.C.**, einer nach irischem Recht errichteten Gesellschaft mit eingetragenem Sitz in Dublin, Irland (die **Darlehensnehmerin**); und
- (2) **DRESDNER BANK AKTIENGESELLSCHAFT** mit Sitz in Frankfurt am Main, Deutschland (die **Darlehensgeberin**).

PRÄAMBEL

- (A) Die Darlehensnehmerin wurde am 19. Juni 2006 als Aktiengesellschaft (*public limited company*) nach irischem Recht errichtet. Die Anteile an der Darlehensnehmerin werden von CCT Corporate Nominees Limited treuhänderisch gehalten.
- (B) Die Darlehensgeberin ist mit der Darlehensnehmerin nicht verbunden.
- (C) Die Darlehensnehmerin beabsichtigt, am oder um den 20. Juli 2006 € 750.000.000 befristete Ergänzungskapital-Wertpapiere zu begeben (die **Wertpapiere**) und die Emissionserlöse ausschließlich zu dem Zweck zu verwenden, von der Dresdner Bank Aktiengesellschaft (in dieser Funktion nachfolgend Bank) ausgegebene Genussscheine im Gesamtnennbetrag von € 750.000.000 (in Worten: Euro siebenhundertfünfzig Millionen) (die Kumulativen Genussscheine) zu erwerben. Eine Abschrift der Genussscheinbedingungen ist diesem Vertrag als Anhang I beigefügt.
- (D) Als Gegenleistung für die Bereitstellung des Genussrechtskapitals stehen der Darlehensnehmerin als Genussscheininhaberin nach Maßgabe der Genussscheinbedingungen Gewinnausschüttungen zu, die jährlich nachträglich ausgeschüttet werden (**Gewinnausschüttungszahlungen**).
- (E) Nach Maßgabe der Emissionsbedingungen der Wertpapiere sind die Inhaber der Wertpapiere (**Emissionsgläubiger**) berechtigt, jährlich von dem Erhalt der Gewinnausschüttungszahlungen abhängende Zinszahlungen auf die Wertpapiere (**Zinszahlungen**) zu erhalten.

THE GERMAN TEXT OF THE LOAN AGREEMENT IS LEGALLY BINDING. THE ENGLISH TRANSLATION IS FOR CONVENIENCE ONLY.

THIS AGREEMENT is made on [•] 2006 between:

- (1) **UT2 FUNDING P.L.C.**, a public limited company established under the laws of Ireland whose registered office is at Dublin, Ireland (the **Borrower**); and
- (2) **DRESDNER BANK AKTIENGESELLSCHAFT** with its registered office in Frankfurt am Main, Germany (the **Lender**).

WHEREAS

- (A) The Borrower was established as a public limited company under the laws of Ireland on 19 June 2006. The shares in the Borrower are held on trust by CCT Corporate Nominees Limited.
- (B) The Lender is unaffiliated with the Borrower.
- (C) The Borrower proposes to issue on or about 20 July 2006 € 750,000,000 Dated Upper Tier 2 Securities (the **Securities**), the proceeds of which it will use exclusively for the purpose of acquiring profit participation securities issued by Dresdner Bank Aktiengesellschaft (in this capacity hereinafter referred to as the Bank) in the aggregate nominal amount of € 750,000,000 (in words: euro seven hundred fifty million (the Cumulative Profit Participation Securities). A copy of the terms and conditions of the Cumulative Profit Participation Securities is attached to this Agreement as Annex I.
- (D) In consideration for the provision of the profit participating capital, the Borrower, as holder of the Cumulative Profit Participation Securities will be entitled, subject to the terms and conditions of the Cumulative Profit Participation Securities, to profit distributions payable annually in arrear (**Profit Distribution Payments**).
- (E) Pursuant and subject to the terms and conditions of the Securities, the holders of the Securities (**Securityholders**) are entitled to receive annual interest payments on the Securities (**Coupon Payments**) which are contingent upon the receipt of the Profit Distribution

ten. Eine Abschrift der Emissionsbedingungen der Wertpapiere ist diesem Vertrag als Anhang II beigelegt.

- (F) Wenn Gewinnausschüttungszahlungen (einschließlich der Zahlung von Ausgefallenen Gewinnausschüttungen) an die Darlehensnehmerin ausgeschüttet werden, ist die Bank verpflichtet, von den ausgeschütteten Beträgen Kapitalertragsteuer nach Maßgabe von § 43 EStG zuzüglich Solidaritätszuschlag einzubehalten (jeweils ein **Einbehalt**), sofern nicht die Finanzbehörden Zahlungen an die Darlehensnehmerin befreit haben.
- (G) In Bezug auf diese Einbehalte rechnet die Darlehensnehmerin mit Steuererstattungsansprüchen gegenüber den deutschen Finanzbehörden (jeweils ein **Steuererstattungsanspruch**).
- (H) Die Darlehensnehmerin hat die Darlehensgeberin gebeten, ihr ein Darlehen einzuräumen, um damit ihre Verpflichtungen zu Zinszahlungen auf die Wertpapiere in dem Umfang, in dem ein Einbehalt gemacht werden muss, zu finanzieren.

Payments. A copy of the terms and conditions of the Securities is attached to this Agreement as Annex II.

- (F) When Profit Distribution Payments (including payments of Arrears of Profit Distributions) are distributed to the Borrower, the Bank must withhold German investment income tax levied in accordance with § 43 German Income Tax Act plus the "solidarity surcharge" (each a **Withholding**) on the distributed amounts, unless the tax authorities have granted an exemption for payments to the Borrower.
- (G) In relation to such Withholdings, the Borrower expects to be entitled to refund claims against the German tax authorities (each a **Tax Refund Claim**).
- (H) The Borrower has requested that the Lender make available to it a loan facility in order to fund the Borrower's obligations to pay Coupon Payments under the Securities to the extent that a Withholding is required to be made.

AUF DIESER GRUNDLAGE WIRD FOLGENDES VEREINBART:

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

§ 1 Definitionen

In diesem Vertrag haben die nachfolgenden Begriffe die in der jeweils genannten Bestimmung festgelegte Bedeutung.

Auszahlungszahltag	§ 2(2)
Bank	Präambel (C)
Darlehen	§ 2(1)
Darlehensauszahlung	§ 2(1)
Darlehensgeberin	Parteien
Darlehensnehmerin	Parteien
Einbehalt	Präambel (F)
Emissionsgläubiger	Präambel (E)
EU Insolvenzverordnung	§ 10
Kumulative Genussscheine	Präambel (C)
Geschäftstag	§ 3(2)
Gewinnausschüttungszahlung	Präambel (D)
Kündigungsgrund	§ 6(1)
Rückzahlung	§ 3(1)
Rückzahlungstag	§ 3(1)
Steuererstattungsanspruch	Präambel (G)
Wertpapiere	Präambel (C)
Zinszahlungen	Präambel (E)

§ 2 Vertragsgegenstand

- (1) Die Darlehensgeberin verpflichtet sich nach Maßgabe der Bestimmungen dieses Vertrages, an den in § 2(2) genannten Tagen Darlehensauszahlungen an die Darlehensnehmerin oder eine von der Darlehensnehmerin bestimmte dritte Person in der in § 2(3) genannten Höhe vorzunehmen. Jede tatsächlich erfolgte Auszahlung wird in diesem Vertrag als **Darlehensauszahlung** und alle zu einem bestimmten Zeitpunkt ausstehenden Darlehensauszahlungen werden zusammen als das **Darlehen** bezeichnet.
- (2) **Auszahlungszahltag** sind jeder Tag, an dem eine Gewinnausschüttungszahlung und/oder eine Nachzahlung Ausgefallener Gewinnausschüttungen nach Maßgabe der Genussscheinbedingungen fällig wird.

§ 1 Definitions

In this Agreement, the following terms have the meaning ascribed to them in the provision of this Agreement at the place set out below:

Advance Payment Date	§ 2(2)
Bank	Preamble (C)
Loan	§ 2(1)
Advance	§ 2(1)
Lender	Parties
Borrower	Parties
Withholding	Preamble (F)
Securityholders	Preamble (E)
EU Insolvency Regulation	§ 10
Cumulative Profit Participation Securities	Preamble (C)
Business Day	§ 3(2)
Profit Distribution Payments	Preamble (D)
Event of Default	§ 6(1)
Repayment	§ 3(1)
Repayment Date	§ 3(1)
Tax Refund Claim	Preamble (G)
Securities	Preamble (C)
Coupon Payments	Preamble (E)

§ 2 Loan Facility

- (1) Subject to, and upon the terms and conditions contained herein, the Lender agrees to make advances to the Borrower or a third person specified by the Borrower in the amounts specified in § 2(3) on the dates specified in § 2(2). Each actual advance made is hereinafter referred to as an **Advance** and the sum of all Advances outstanding at any given time is referred to as the **Loan**.
- (2) **Advance Payment Dates** shall be any day on which a Profit Distribution Payment and/or a payment of Arrears of Profit Distributions becomes due under the terms and conditions of the Cumulative Profit Participation Securities.

- (3) Darlehensauszahlungen sind in Euro in Höhe des Betrages zu zahlen, der dem Einbehalt von der Gewinnausschüttungszahlung bzw. Zahlung der Ausgefallenen Gewinnausschüttung entspricht, die an dem betreffenden Auszahlungszahltag fällig wird.
- (4) Die Darlehensnehmerin wird die Erlöse aus jeder gemäß diesem Vertrag erhaltenen Darlehensauszahlung ausschließlich zur Finanzierung ihrer Verpflichtungen, an den jeweiligen Fälligkeitstagen Zinszahlungen an die Emissionsgläubiger nach Maßgabe der Emissionsbedingungen der Wertpapiere zu leisten, verwenden.

§ 3 Rückzahlung

- (1) Die Darlehensnehmerin ist verpflichtet, unverzüglich nach Erhalt von Zahlungen aufgrund von Steuererstattungsansprüchen das Darlehen an die Darlehensgeberin in Höhe des Betrages aller solchermaßen von ihr erhaltenen Zahlungen der betreffenden Finanzbehörden zurückzuzahlen (jede solche Zahlung eine **Rückzahlung** und jeder Fälligkeitstag einer solchen Zahlung ein **Rückzahlungstag**).
- (2) Die Darlehensnehmerin ist zur vorzeitigen Rückzahlung des Darlehens ausschließlich dann berechtigt, wenn es für die Darlehensgeberin in Deutschland ungesetzlich wird, irgendeine ihrer in diesem Vertrag vorgesehenen Verpflichtungen zu erfüllen oder den Fortbestand des Darlehens zu ermöglichen. Die Kündigungsfrist beträgt in diesem Fall fünf Geschäftstage. **Geschäftstag** bezeichnet jeden Tag an dem TARGET (das Trans-European Automated Real-time Gross Settlement Express Transfer System) Buchungen oder Zahlungsanweisungen im Hinblick auf Zahlungen in Euro abwickelt.
- (3) Nach vollständiger Rückzahlung der Wertpapiere und Rückführung des Darlehens aus allen verfügbaren Zahlungen auf Steuererstattungsansprüche ist die Darlehensnehmerin verpflichtet, etwa verbleibende Darlehenssalden aus sonstigen ihr tatsächlich zur Verfügung stehenden Barmitteln zurückzuführen, soweit diese nicht zur Aufrechterhaltung ihrer Existenz erforderlich sind.
- (4) Vorbehaltlich § 3(3) sind die Ansprüche der Darlehensgeberin gegen die Darlehensnehmerin auf Rückzahlung von Darlehensauszahlungen gemäß diesem § 3(4) sowie alle anderen Zahlungsverpflichtungen der Darlehensnehmerin hierunter mit Ausnahme der Verpflichtung zur Zahlung von aufgelaufenen Zinsen durch die Barmittel begrenzt, welche die Darlehensnehmerin tatsächlich aufgrund von Steuererstattungsansprüchen erhält. Die Ansprüche der Darlehensgeberin auf Zahlung von Zinsen sind durch die verbleibenden und der Darlehensnehmerin tatsächlich zur Verfügung stehenden Barmittel begrenzt. Sie sind gegenüber fällig gewordenen Verbindlichkeiten aus den Wertpapieren nachrangig und erst nach deren vollständiger Befriedigung zahlbar. Die Darlehensnehmerin verfügt über keine anderen Mittel zur Erfüllung ihrer Verbindlichkeiten und dieser Vertrag begründet demgemäß keinerlei Zahlungsverbindlichkeiten der Darlehensnehmerin über diese Beträge hinaus.

§ 4 Zinsen

- (1) Zinsen sind von der Darlehensnehmerin an jedem Rückzahlungstag in der gemäß diesem § 4 bestimmten Höhe an die Darlehensgeberin zu zahlen.
- (2) Die Darlehensauszahlungen, die an einem Rückzahlungstag ausstehend sind, werden wie folgt verzinst:

- (3) Advances shall be payable in Euro in an amount corresponding to the Withholding on the Profit Distribution Payment and/or payment of Arrears of Profit Distribution falling due on the relevant Advance Payment Date.
- (4) The Borrower shall make use of the proceeds of each Advance obtained hereunder solely to fund its obligations to make Coupon Payments to the Securityholders on each due date pursuant to the terms and conditions of the Securities.

§ 3 Repayment

- (1) Promptly after receipt of payments on Tax Refund Claims, the Borrower shall be required to repay the Loan in the amount of such payment on a Tax Refund Claim (each such payment a **Repayment** and each due date for such repayment a **Repayment Date**).
- (2) The Borrower may prepay the Loan only if it becomes illegal in Germany for the Lender to perform any of its obligations as contemplated by this Agreement or to allow the Loan to remain outstanding. The notice period in this case is five Business Days. **Business Day** shall mean a day on which TARGET (the Trans-European Automated Real-time Gross settlement Express Transfer system) is operating credit or transfer instructions in respect of payments in Euro.
- (3) Following the full and final repayment of the Securities and the repayment of the Loan using all available payments on Tax Refund Claims, the Borrower shall be obliged to repay any remaining loan balance using any other cash funds available to it to the extent such funds are not absolutely required to keep the Borrower in operation.
- (4) Subject to § 3(3), the Lender's claims against the Borrower for repayment of outstanding Advances pursuant to this § 3(4) and any other payment obligations of the Borrower hereunder save for the payment of interest are limited to the payments actually received by the Borrower on account of Tax Refund Claims. The Lender's claims against the Borrower for payment of accrued and unpaid interest are limited to the remaining cash actually available to the Borrower. They shall rank behind, and be paid only after full satisfaction of, any matured payment obligation under the Securities has been satisfied in full. Other than the foregoing, the Borrower will have no funds available to meet its payment obligations under this Agreement and this Agreement will not give rise to any payment obligation in excess of the foregoing.

§ 4 Interest

- (1) The Borrower shall make interest payments to the Lender on each Repayment Date in an amount to be calculated in accordance with this § 4.
- (2) Interest shall accrue on the amount of the Advances outstanding at the relevant Repayment Date as follows:

Für den Zeitraum vom jeweiligen Auszahlungszahltag (einschließlich) bis zum jeweiligen Rückzahlungstag (ausschließlich) entspricht der anwendbare Zinssatz 5,07 % p. a. Darüber hinaus fällt eine Bereitstellungsgebühr in Höhe von 26,5 Basispunkten auf nicht gezogene Darlehensauszahlungen an, wobei für die Berechnung dieser Bereitstellungsgebühr nur der Maximalbetrag der nicht gezogenen Darlehensauszahlungen berücksichtigt wird, der € 12.000.000 nicht übersteigt.

- (3) Die Zinsen werden berechnet, indem der anwendbare Zinssatz mit der tatsächlichen Anzahl von Tagen, die in diesem Zeitraum verstrichen sind (wobei jeweils der Auszahlungszahltag einbezogen und der Rückzahlungstag nicht einbezogen wird) multipliziert, das Ergebnis durch die tatsächliche Anzahl der Tage (365 oder 366) im jeweiligen Zinsjahr dividiert und der so ermittelte Zinssatz auf das Darlehen angewendet wird.

§ 5 Allgemeine Verpflichtungen

Die Verpflichtungen in diesem § 5 bleiben vom Datum dieses Vertrages an solange in Kraft, wie (i) die Darlehensnehmerin berechtigt ist, Darlehensauszahlungen in Anspruch zu nehmen oder (ii) Darlehensauszahlungen gemäß diesem Vertrag ausstehen.

- (1) Die Darlehensnehmerin wird sämtliche Genehmigungen, Zustimmungen, Billigungen, Beschlüsse, Zulassungen, Befreiungen, Einreichungen oder Registrierungen, die gemäß irgendeinem Gesetz oder einer Vorschrift erforderlich sind, um sie in die Lage zu versetzen, ihre Verpflichtungen aufgrund dieses Vertrages zu erfüllen und die Rechtmäßigkeit, Wirksamkeit, Durchsetzbarkeit und Zulässigkeit dieses Vertrages als Beweismittel in Deutschland sicherzustellen, unverzüglich einholen, einhalten und alles Erforderliche unternehmen, damit diese uneingeschränkt wirksam bleiben.
- (2) Die Darlehensnehmerin wird sämtliche Gesetze, denen sie gegebenenfalls unterliegt, in jeder Hinsicht einhalten soweit die Nichteinhaltung solcher Gesetze ihre Fähigkeit zur Erfüllung ihrer Verpflichtungen aufgrund dieses Vertrages erheblich beeinträchtigen würde.

§ 6 Kündigungsgründe und vorzeitige Fälligkeitstellung

- (1) Jedes der in diesem § 6(1) genannten Ereignisse oder Umstände ist ein **Kündigungsgrund**.
- (a) Die Darlehensnehmerin zahlt einen gemäß diesem Vertrag fälligen Betrag nicht am Fälligkeitstag an dem Ort und in der Währung, die für die Zahlung vorgesehen sind, es sei denn, dass:
- (i) ihre Nichtzahlung auf einem administrativen oder technischen Fehler beruht; und
- (ii) die Zahlung innerhalb von fünf Geschäftstagen nach dem Fälligkeitstag erfolgt.
- (b) Die Darlehensnehmerin erfüllt irgendeine Bestimmung dieses Vertrages nicht (mit Ausnahme der in § 6(1)(a) genannten), es sei denn, dass:
- (i) die Nichterfüllung geheilt werden kann und innerhalb von fünf Geschäftstagen geheilt wird, nachdem die Darlehensgeberin die Darlehensnehmerin benachrichtigt hat oder die Darlehensnehmerin von ihrer Nichterfüllung Kenntnis erlangt; oder
- (ii) dieses Ereignis keine erheblichen Auswirkungen auf die Fähigkeit der Darlehensnehmerin zur Leistung von Zinszahlungen und Tilgungszahlungen gemäß diesem Vertrag hat.

For the period from and including the relevant Advance Payment Date to but excluding the relevant Repayment Date interest accrues at a rate of 5.07 per cent. *per annum*. In addition, a commitment fee will be payable at a rate of 26.5 basis points on any undrawn advances, provided that for the calculation of such commitment fee the maximum amount of undrawn advances shall not exceed € 12,000,000.

- (3) Interest will be calculated by multiplying the applicable rate of interest by the actual number of days elapsed during such period (provided that the Advance Payment Date shall be inclusive and the Repayment Date shall be exclusive) divided by the actual number of days (365 or 366) in the respective interest year and applying such interest rate to the Loan balance.

§ 5 General Undertakings

The undertakings in this § 5 shall remain in force from the date of this Agreement for so long as (i) the Borrower is entitled to receive Advances or (ii) any Advance is outstanding under this Agreement.

- (1) The Borrower shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect any authorisation, consent, approval, resolution, licence, exemption, filing or registration required under any law or regulation to enable it to perform its obligations under this Agreement and to ensure the legality, validity, enforceability or admissibility in evidence in Germany of this Agreement.
- (2) The Borrower shall comply in all respects with all laws to which it may be subject, if failure so to comply would materially impair its ability to perform its obligations under this Agreement.

§ 6 Events of Default and Acceleration

- (1) Each of the events or circumstances set out in this § 6(1) is an **Event of Default**.
- (a) The Borrower does not pay on the due date any amount payable pursuant to this Agreement at the place and in the currency in which it is expressed to be payable, unless:
- (i) its failure to pay is caused by administrative or technical error; and
- (ii) payment is made within five Business Days of its due date.
- (b) The Borrower does not comply with any provision of this Agreement (other than those referred to in § 6(1)(a)), unless:
- (i) the failure to comply is capable of remedy and is remedied within five Business Days of the Lender giving notice to the Borrower or the Borrower becoming aware of its failure to comply; or
- (ii) such event will not materially affect the Borrower's ability to make interest payments and principal repayments under this Agreement.

- (c) Eine Zusicherung oder Erklärung, die von der Darlehensnehmerin in diesem Vertrag abgegeben wurde bzw. als abgegeben gilt, ist oder erweist sich in irgendeiner wesentlichen Hinsicht als zum Zeitpunkt der Abgabe oder angenommenen Abgabe unrichtig oder irreführend, es sei denn, dass die Tatsachen und Umstände, die die falsche Darstellung verursacht haben, keine erheblichen Auswirkungen auf die Fähigkeit der Darlehensnehmerin zur Leistung von Zinszahlungen und Tilgungszahlungen gemäß diesem Vertrag haben.
- (2) Bei und jederzeit nach Eintritt eines Kündigungsgrundes, der fortbesteht, kann die Darlehensgeberin durch Mitteilung an die Darlehensnehmerin:
- (a) das Darlehen und alle unter diesem Vertrag angefallenen Beträge unverzüglich ganz oder teilweise fällig stellen, woraufhin diese unverzüglich fällig werden; und/oder
 - (b) das Darlehen ganz oder teilweise für auf Verlangen zahlbar erklären, woraufhin es auf Verlangen der Darlehensgeberin unverzüglich fällig wird.

§ 7 Wechsel der Parteien

Weder die Darlehensgeberin noch die Darlehensnehmerin sind berechtigt, ohne die vorherige Zustimmung der jeweils anderen Partei irgendwelche ihrer jeweiligen Rechte aus diesem Vertrag abzutreten oder zu übertragen oder irgendwelche ihrer jeweiligen Verpflichtungen aufgrund dieses Vertrages zu übertragen.

§ 8 Zahlungen

- (1) Aufrechnungsverbot: Die Darlehensgeberin und die Darlehensnehmerin sind nicht berechtigt, eine fällige Verpflichtung, die eine von ihnen schuldet, gegen eine fällige Verpflichtung aufzurechnen, die die andere von ihnen schuldet, unabhängig vom Zahlungsort oder der Währung jeder Verpflichtung oder ob diese sich auf diesen Vertrag bezieht oder nicht.
- (2) Geschäftstagskonvention: Jede Zahlung, die an einem Tag fällig ist, der kein Geschäftstag ist, hat am darauffolgenden Geschäftstag zu erfolgen. Aufgrund einer solchen Verschiebung erfolgt keine Zahlung von Zinsen.

§ 9 Kommunikation

Jede Mitteilung gemäß diesem Vertrag muss schriftlich erfolgen und per Einschreiben, Kurier, bestätigter Sendung oder Fax zu Händen der nachstehend genannten Personen an die jeweiligen Anschriften der Parteien oder die in diesem Vertrag genannten eingetragenen Sitze oder, bei Sendung per Fax, an die jeweils nachstehend genannten Nummern gesendet bzw. übermittelt werden:

[absichtlich ausgelassen]

§ 10 Zusicherungen

Die Darlehensnehmerin bestätigt und sichert der Darlehensgeberin zu, dass zum Zeitpunkt des Abschlusses dieses Vertrages:

- (a) ihr registrierter Sitz und Hauptgeschäftssitz in Irland ist;
- (b) sie alle Versammlungen ihrer Geschäftsleitung (*Board of Directors*) in Irland abhält;
- (c) sie sicherstellen wird, dass der Wohnsitz der Geschäftsführer (*Directors*) der Darlehensnehmerin und der effektive Verwaltungssitz der Darlehensnehmerin zu jeder Zeit in Irland sein wird;

- (c) Any representation or statement made or deemed to be made by the Borrower in this Agreement is or proves to have been incorrect or misleading in any material respect when made or deemed to be made, unless the facts and circumstances giving rise to the misrepresentation will not materially affect the Borrower's ability to make interest payments and principal repayments under this Agreement.

- (2) On and at any time after the occurrence of an Event of Default which is continuing, the Lender may by notice to the Borrower:

- (a) declare that all or part of the Loan and all other amounts accrued under this Agreement be immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (b) declare that all or part of the Loan be payable on demand, whereupon the same shall immediately become payable on demand by the Lender.

§ 7 Changes to the Parties

Neither the Lender nor the Borrower may assign or transfer, as applicable, any of its rights or transfer any of its obligations under this Agreement without the prior consent of the other party.

§ 8 Payments

- (1) No right of set off: The Lender and the Borrower shall not set off any matured obligation due from the other party against any matured obligation owed by it to the other party, regardless of the place of payment or currency of either obligation or whether the obligations relate to this Agreement or not.
- (2) Business Day Convention: Any payment which is due to be made on a day that is not a Business Day shall be made on the next following Business Day. No interest will accrue or be payable as a result of such delay.

§ 9 Notices

Any notice to be given under this Agreement shall be in writing and shall be delivered to or sent by registered, special delivery or recorded post or by facsimile transmission for the attention of the persons set out below to the parties' respective addresses or registered offices as set out in this Agreement or, in the case of facsimile transmission, to the respective numbers set out below:

[intentionally omitted]

§ 10 Representations

The Borrower hereby represents, warrants and agrees to and with the Lender that, as of the date of this Agreement:

- (a) it maintains its registered office and head office in Ireland;
- (b) it holds all meetings of its board of directors in Ireland;
- (c) it will procure that the places of residence of the directors of the Borrower and the place where the Borrower's interests are administered on a regular basis are, at all times, situated in Ireland;

- (d) sie keine Geschäftsstelle und keine Niederlassung außerhalb Irlands eröffnet hat;
- (e) sie nach Ihrem Wissen nichts unternommen hat, was dazu führen könnte, dass die Darlehensnehmerin eine Betriebsstätte in einer anderen Rechtsordnung als Irland begründet hat (ausgenommen in dem Umfang, in dem der Abschluss und die Durchführung der Verträge und der anderen Transaktionsdokumente im Zusammenhang mit der Begebung der Wertpapiere und des Erwerbs der Genussscheine hierzu führen könnten); und
- (f) die Darlehensgeberin ist (auf der Grundlage der vorgenannten Zusicherungen und Gewährleistungen unter (a) bis (e)) der Überzeugung, dass ihre Hauptinteressen (centre of main interests) im Sinne von Artikel 3(1) Verordnung (EG) Nr. 1346/2000 des Rates vom 29. Mai 2000 (die **EU Insolvenzverordnung**) in Irland liegen und sie außer in Irland (im Sinne der EU Insolvenzverordnung) keine Betriebsstätte unterhält.

§ 11 Kein Insolvenzantrag; Kein Rückgriff

- (1) Weder die Darlehensgeberin noch ein für diese handelnder Dritter sind berechtigt, zu irgendeinem Zeitpunkt gegenüber der Darlehensnehmerin im Zusammenhang mit einer sich aus diesem Vertrag ergebenden Verbindlichkeit der Darlehensnehmerin ein Verfahren zur Eröffnung des Konkurses, eine Anordnung der Zwangsverwaltung, ein Moratorium, eine Sanierung, eine Überwachung der Geschäftsleitung, einen Vergleich, die Insolvenz, ein *Examinership*, die Auflösung oder Liquidation oder ein ähnliches insolvenzrechtliches Verfahrens gemäß dem anwendbaren Konkursrecht oder vergleichbaren Gesetzen zu beantragen oder an der Einleitung eines solchen Verfahrens gegen die Darlehensnehmerin mitzuwirken. Ausgenommen hiervon sind die Geltendmachung von Ansprüchen in der Liquidation der Darlehensnehmerin, die von einem Dritten eingeleitet worden ist, sowie das Ergreifen rechtlicher Schritte, um ein Urteil oder einen anderen Titel im Hinblick auf die Verbindlichkeiten der Darlehensnehmerin zu erlangen.
- (2) Die Darlehensgeberin hat keine Rückgriffsansprüche gegen die Geschäftsführer (*Director*), Gesellschafter oder Direktoren (*Officer*) der Darlehensnehmerin im Hinblick auf jedwede Verbindlichkeiten, Zusicherungen oder Vereinbarungen, die die Darlehensnehmerin in Bezug auf diesen Vertrag abgegeben hat, soweit eine solche Person nicht wider besseren Wissens oder fahrlässig im Zusammenhang mit solchen Verbindlichkeiten gehandelt hat.

§ 12 Teilunwirksamkeit

Sollte irgendeine Bestimmung dieses Vertrages aus irgendeinem Grund unwirksam, ungesetzlich oder undurchsetzbar sein, gilt sie als durch diejenige wirksame, gesetzliche und durchsetzbare Bestimmung ersetzt, die der in der betreffenden Bestimmung niedergelegten Absicht der Parteien soweit wie möglich nahe kommt, und die Wirksamkeit, Gesetzlichkeit und Durchsetzbarkeit der übrigen Bestimmungen dieses Vertrages hierdurch in keiner Weise berührt oder beeinträchtigt wird.

§ 13 Änderungen und Verzichtserklärungen

Eine Änderung oder Verzichtserklärung in Bezug auf irgendeine Bestimmung dieses Vertrages ist nur mit schriftlicher Zustimmung der Darlehensgeberin und der Darlehensnehmerin möglich. Dies gilt auch für eine Änderung oder Verzichtserklärung in Bezug auf diesen § 13.

- (d) it has not opened any office or branch outside of Ireland;
- (e) it has not knowingly done anything (except to the extent that entering into the agreements and other transaction documents relating to the issue of the Securities and the acquisition of the Cumulative Profit Participation Securities and the performance of their terms cause it to be so resident) which may result in the Borrower creating an establishment in another jurisdiction than Ireland; and
- (f) (based on the representations and warranties it makes at (a) to (e) above) it believes that its "centre of main interests" for the purposes of Article 3(1) of the Council Regulation (EC) no. 1346/2000 of 29 May 2000 (the **EU Insolvency Regulation**) is in Ireland and that it has no establishment (for the purposes of such EU Insolvency Regulation) other than in Ireland.

§ 11 Non Petition; No Recourse

- (1) Neither the Lender nor any other person acting on its behalf shall be entitled at any time to institute against the Borrower, or join in any institution against the Borrower of, any bankruptcy, administration, moratorium, reorganisation, controlled management, arrangement, insolvency, examinership, winding-up or liquidation proceedings or similar insolvency proceedings under any applicable bankruptcy or similar law in connection with any obligation of the Borrower under this Agreement, save for lodging a claim in the liquidation of the Borrower which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Borrower.
- (2) The Lender shall have no recourse against any director, shareholder, or officer of the Borrower in respect of any obligations, covenants or agreement entered into or made by the Borrower in respect of this Agreement, except to the extent that any such person acts in bad faith or is negligent in the context of its obligations.

§ 12 Severability

Should any provision of this Agreement be found invalid, illegal or unenforceable for any reason, it is to be deemed replaced by the valid, legal and enforceable provision most closely approximating the intent of the parties, as expressed in such provision, and the validity, legality and enforceability of the remainder of this Agreement shall in no way be affected or impaired thereby.

§ 13 Amendments and Waivers

Any term of this Agreement may be amended or waived only with the written consent of the Lender and the Borrower. This shall also apply to an amendment or waiver of this § 13.

§ 14 Schlussbestimmungen

- (1) Dieser Vertrag unterliegt dem Recht der Bundesrepublik Deutschland und die Parteien unterwerfen sich unwiderruflich dem Landgericht Frankfurt am Main als nicht-ausschließlichem Gerichtsstand.
- (2) Dieser Vertrag kann in mehreren Ausfertigungen und durch die Parteien in getrennten Ausfertigungen unterzeichnet und übergeben werden, von denen jede ein Original darstellt, jedoch alle zusammen ein und dasselbe Instrument bilden.
- (3) Die deutschsprachige Fassung dieses Vertrages ist bindend.

Anhang I – Genussscheinbedingungen

Anhang II – Emissionsbedingungen der Wertpapiere

§ 14 Final Clauses

- (1) This Agreement shall be governed by, and construed in accordance with, the laws of the Federal Republic of Germany and the parties irrevocably submit to the non-exclusive jurisdiction of the district court (*Landgericht*) Frankfurt am Main.
- (2) This Agreement may be executed and delivered in any number of counterparts and by the parties on separate counterparts, each of which is an original, but all of which taken together constitute one and the same instrument.
- (3) The German language version of this Agreement shall be the binding version.

Annex I – Terms and Conditions of the Cumulative Profit Participation Securities

Annex II – Terms and Conditions of the Securities

Description of the Fiduciary Assignment Agreement and Indemnity Agreement

Fiduciary Assignment Agreement

On or about 18 July 2006, the Bank, the Lender, the Issuer and HSBC Trustee (C.I.) Limited, acting as security trustee for the benefit of Securityholders (the **Security Trustee**), will enter into the Fiduciary Assignment Agreement.

Under the Fiduciary Assignment Agreement, the Issuer transfers its ownership interest in the global certificate representing the Cumulative Profit Participation Securities to the Security Trustee and assigns to the Security Trustee all its (present and future, conditional and unconditional) payment claims against the Lender under the Loan Agreement and against the Bank under the Indemnity Agreement. The payment claims to be assigned under the Fiduciary Assignment Agreement are the **Assigned Claims**. The Fiduciary Assignment Agreement provides that any existing payment claims under the Loan Agreement and the Indemnity Agreement shall pass to the Security Trustee immediately and that any and all future payment claims under the Loan Agreement and the Indemnity Agreement shall pass to the Security Trustee as they arise.

The purpose of the security transfer of the Cumulative Profit Participation Securities and the assignment of the payment claims under the Fiduciary Assignment Agreement is to create collateral for the benefit of Securityholders in order to secure the Securityholders' claims for Coupon Payments and capital repayments under the Securities.

Under the Fiduciary Assignment Agreement, the Security Trustee holds the Cumulative Profit Participation Securities and the Assigned Claims in trust for the benefit of the Securityholders to secure payments to be made to the Securityholders under the Securities. The Security Trustee may not dispose of the Cumulative Profit Participation Securities and the Assigned Claims (i) without the prior written consent of the holders of 100 per cent. of the Securities or (ii) through transactions which are adverse to the interests of the holders of the Securities.

In case the payments due on the Cumulative Profit Participation Securities or in respect of the Assigned Claims are not made as and when due, the Security Trustee is obliged immediately to assert any such claims against the relevant debtor.

The Fiduciary Assignment Agreement further provides that the Issuer may not dispose of the Assigned Claims. In particular, the Issuer is prohibited from encumbering the Assigned Claims with any third party rights or taking any action that might adversely affect or jeopardise the Assigned Claims.

Pursuant to the Fiduciary Assignment Agreement, the Security Trustee may retire at any time. However, such retirement will not take effect until (i) the appointment of a new security trustee, (ii) the transfer of the global security representing the Cumulative Profit Participation Securities and all Assigned Claims to such new security trustee and (iii) the accession to the Fiduciary Assignment Agreement by such new security trustee. The new security trustee will be appointed by the Issuer with the prior consent of the Bank. It shall be a bank having its corporate seat, and licensed to conduct banking business, in either Germany or the United Kingdom or a fully owned direct or indirect subsidiary of such bank.

The Fiduciary Assignment Agreement is governed by, and construed in accordance with, German law.

Indemnity Agreement

On or about 18 July 2006, the Issuer and the Bank will enter into the Indemnity Agreement. Under the Indemnity Agreement, the Bank is obliged to make payments to the Issuer in respect of withholding tax, if any, levied in Ireland in relation to payments under the Securities. The Issuer will use the payments received under the Indemnity Agreement to fund its obligations in respect of Additional Amounts, if any, payable under the Securities.

General Information on the Issuer

Incorporation, Domicile and Duration

The Issuer is a special purpose vehicle, incorporated as a public limited company under the name UT2 Funding p.l.c. on 19 June 2006, registered number 422060, under the Companies Act 1963–2005 of Ireland. The registered office of the Issuer is Custom House Plaza, Block 6, I.F.S.C. Dublin 1, Ireland and phone number +353 1 636 7800. The Issuer was established for an unlimited duration and has no operating history.

Share Capital

The authorised share capital of the Issuer is EUR 40,000 divided into 40,000 ordinary shares of par value EUR 1 each (the **Shares**). The Issuer has issued 40,000 Shares, all of which are fully paid and are held on trust by CCT Corporate Nominees Limited (the **Share Trustee**) under the terms of a declaration of trust (the **Declaration of Trust**) dated on or about 18 July 2006, under which the Share Trustee holds the Shares on trust for charity. The Share Trustee has no beneficial interest in and derives no benefit (other than any fees for acting as Share Trustee) from its holding of the Shares. The Share Trustee will apply any income derived from the Issuer solely for the above purposes.

Citco Corporate Services (Ireland) Limited (the **Corporate Services Provider**), an Irish company, acts as the corporate services provider for the Issuer. The office of the Corporate Services Provider serves as the general business office of the Issuer. Through the office and pursuant to the terms of the corporate services agreement entered into on or about 18 July 2006 between the Issuer, the Corporate Services Provider and the Share Trustee (the **Corporate Services Agreement**), the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time by giving at least 90 days written notice to the other party.

The Corporate Services Provider's principal office is Custom House Plaza, Block 6, I. F. S. C., Dublin 1, Ireland.

Business

The principal objects of the Issuer are set forth in clause 3 of its Memorandum of Association and include, *inter alia*, the power to issue securities and to raise or borrow money, to grant security over its assets for such purposes, to lend with or without security and to enter into derivative transactions.

The Issuer has undertaken not to carry out any business other than in connection with the Transaction described in this Prospectus, in particular the issue of Securities, the purchase of the Cumulative Profit Participation Securities and the entry into of agreements related thereto and does not and will not have any substantial assets other than the Cumulative Profit Participation Securities and the claims against the Lender under the Loan Agreement and against the Bank under the Indemnity Agreement and does not and will not have any substantial liabilities other than in connection with the Securities, the purchase agreement in relation to the Cumulative Profit Participation Securities, the Loan Agreement and the Fiduciary Assignment Agreement.

The Issuer has, and will have, no material assets other than the sum of € 40,000 representing the proceeds of its issued share capital, such fees (as agreed) payable to it in connection with the issue of Securities or the purchase, sale or incurring of other obligations, the Cumulative Profit Participation Securities to be purchased by it from the proceeds of the issue of the Securities and any claims for payment of Profit Distributions and repayment of principal thereunder as well as claims under the Loan Agreement and the Indemnity Agreement, if any. Save in respect of the fees generated in connection with the issue of the Securities, any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital, the Issuer will not accumulate any surpluses.

The Securities are obligations of the Issuer and not of the shareholder(s) of the Issuer, the Share Trustee, the Security Trustee, the Managers, the Corporate Services Provider, the Bank or the Lender. Furthermore, they are not obligations of, or guaranteed in any way by, any of the Managers.

Save as disclosed herein, there has been no material adverse change in the financial position or prospects of the Issuer since the date of its incorporation. Save for the issues of Securities described above and their related arrangements, the Issuer has no borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities.

Directors and Company Secretary

The Issuer's Articles of Association provide that the Board of Directors of the Issuer will consist of at least two Directors.

The Directors of the Issuer and their business addresses are as follows:

Cathal Kelly Custom House Plaza, Block 6, I.F.S.C., Dublin 1, Ireland

Stephen McQuaid Custom House Plaza, Block 6, I.F.S.C., Dublin 1, Ireland

The Company Secretary is CCT Secretarial Limited.

Financial Statements

Since its date of incorporation, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Prospectus. The Issuer intends to publish its first financial statements in respect of the period ending on 31 August 2007. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 August in each year.

The profit and loss account and balance sheet can be obtained free of charge from the registered office of the Issuer. The Issuer must hold its first annual general meeting within 18 months of the date of its incorporation (and no more than 9 months after the financial year end) and thereafter the gap between its annual general meetings must not exceed 15 months. One annual general meeting must be held in each calendar year.

Auditor

The auditors of the Issuer are KPMG of 1 Stokes Place, St. Stephen's Green, Dublin 2, Ireland who are chartered accountants and are members of the Institute of Chartered Accountants and registered auditors qualified to practise in Ireland.

A copy of the audited accounts of the Issuer may be obtained at the Issuer's registered office at Custom House Plaza, Block 6, I.F.S.C., Dublin 1, Ireland.

Post-Issuance Information

The Issuer does not intend to provide any post-issuance information in relation to any Securities or the performance of the Cumulative Profit Participation Securities.

The Bank

BUSINESS OVERVIEW

Dresdner Bank is one of the largest banks in Germany, based on total assets at December 31, 2005. Dresdner Bank Group offers a wide range of private, commercial and investment banking products and services for corporate, governmental and individual customers, primarily in the European market. Dresdner Bank is a wholly-owned subsidiary of Allianz AG, which together with its subsidiaries, is an international and integrated financial services provider, offering insurance, banking and asset management products and services, with the Dresdner Bank Group representing the centre of the banking competence of the Allianz Group. Dresdner Bank's shares are held indirectly by Allianz AG.

History and Development of the Bank

Dresdner Bank Aktiengesellschaft emerged in 1957 from the reunification of three independent banks (Hamburger Kreditbank AG, Rhein-Ruhr Bank AG and Rhein-Main Bank AG), which had been formed in 1952 as successor companies of Dresdner Bank, Berlin, which was founded in 1872 in Dresden.

Dresdner Bank is incorporated under German law as a joint stock company (Aktiengesellschaft) for an unlimited period of time. Its registered office is in Frankfurt am Main. The Bank has been entered in the register of companies of the District Court in Frankfurt am Main under registration number HRB 14000. The office address is Juergen-Ponto-Platz 1, 60301 Frankfurt am Main (Germany) and the telephone number is +49 69 2630. Dresdner Bank has admitted securities to trading on the following stock exchanges: the Baden-Württembergische Wertpapierbörse Stuttgart, the Euronext Amsterdam, the Euronext Lisbon, the Euronext Paris, the Frankfurt Stock Exchange, the Irish Stock Exchange, the London Stock Exchange, the Luxembourg Stock Exchange, the Milan Stock Exchange (M. O. T.), the Singapur Exchange Securities Trading (SGX-ST), the Stockholm Stock Exchange (NDX), the Swiss Stock Exchange (SWX) and the Vienna Stock Exchange.

In the 1990s and early 2000s, Dresdner Bank made significant acquisitions in investment banking, including British merchant bank Kleinwort Benson Group plc in 1995 and U.S.-based investment bank Wasserstein Perella & Co. in January 2001, and asset management, including U.S. asset manager RCM Capital Management in 1996.

In 2002, following the acquisition of Dresdner Bank by Allianz AG in 2001, Dresdner Bank transferred substantially all of its German asset management subsidiaries to the Allianz AG subsidiary, Allianz Global Investors. In 2004, the Bank further transferred RCM Capital Management and other foreign asset management subsidiaries to Allianz Global Investors. Also in 2002, Dresdner Bank's mortgage bank, Deutsche Hyp, was merged with Rheinische Hypothekenbank AG, the mortgage banking subsidiary of Commerzbank AG, and Eurohypo AG, the mortgage banking subsidiary of Deutsche Bank AG, into a single entity, Eurohypo AG. At the end of 2005, Dresdner Bank sold its shares in Eurohypo AG to Commerzbank AG. The closing of this transaction occurred in the first quarter of 2006.

With 959 branch offices, of which 906 are located in Germany and 53 outside of Germany, and approximately 34,200 employees as at December 31, 2005, the Group focuses on selected geographic regions and business areas. The Group's principal banking products and services include traditional commercial banking such as deposit taking, lending (including residential mortgage lending) and cash management, as well as corporate finance advisory services, mergers and acquisitions advisory services, capital and money market services, securities underwriting and securities trading and derivatives business for its own account and for its customers.

Since December 31, 2005, the date of the Group's last published audited financial statements, there has been no material adverse change in the prospects of the Group.

Objectives of Dresdner Bank

The objectives of Dresdner Bank as established in clause 2 of the Articles of Association are banking business of all kinds as well as the provision of financial, advisory and similar services. To the extent permitted by law Dresdner Bank may carry on all business that is conducive to meeting the objective of Dresdner Bank, including the purchase, management and disposal of real estate, the acquisition in other companies as well as the formation and acquisition of such companies and the branches in Germany and abroad. Dresdner Bank is authorized to carry on its business activities also through subsidiaries, affiliates or joint venture companies and to conclude enterprise and cooperation agreements with other companies.

Operations by Division

While Dresdner Bank focuses on selected geographic regions worldwide, Germany is its primary market, which contains 67.9% of its loan portfolio. The largest credit exposures to borrowers in Germany are loans to private individuals (including self-employed professionals) at 58.2%; this category represented 39.6% of Dresdner Bank's total loans outstanding at December 31, 2005. Until December 31, 2005, the Group conducted its operations through four strategic divisions: Personal Banking, Private & Business Banking, Corporate Banking and DrKW, as well as the Corporate Investments and Consolidation & Adjustments segments, while its non-strategic IRU was closed down effective September 30, 2005:

- *Personal Banking* provided personalized financial services such as payment transactions, financing, investment advice, financial planning and insurance products.
- *Private & Business Banking* provided access for its worldwide clients to its range of private banking services, such as wealth management, portfolio management, real estate investment advice and trust and estate advice, as well as business banking advisory services to assist corporate clients in arranging their private and business finances in an integrated and customized manner.
- *Corporate Banking* offered corporate loans, structured financing, as well as treasury, securities and insurance products, and provided corporate customers with cash management solutions, payment services, global documentary services and advice on occupational pension plans.
- *DrKW* offered corporate finance advisory services on mergers and acquisitions, divestitures, restructurings and other strategic matters, and provided securities underwriting and market-making, securitization products and services, securities and derivatives trading, portfolio management, and other capital markets products and services.
- *IRU* was closed down effective September 30, 2005 having successfully completed its mandate to free-up risk capital through the reduction of risk-weighted assets.
- *Corporate Investments* comprised investment securities and land and buildings used by third parties that the Group had no longer considered to be part of its core business following its strategic reorientation. The Group's goal is to reduce these holdings as part of a targeted divestment process.
- *Consolidation & Adjustments* included income and expense items that are not assigned to Dresdner Bank's operating divisions, or that are the result of decisions that affect the Group as a whole.

During the first half of 2006, the Group has reorganized its business.

The newly-formed Private & Corporate Clients division will combine all banking activities formerly provided by the Personal Banking and Private & Business Banking divisions and will also be responsible for medium-sized business and corporate clients formerly advised by the Corporate Banking division.

The Investment Banking division will be integrated in Dresdner Bank and be managed under the commercial name "Dresdner Kleinwort" going forward. It will consist of the Global Banking and Capital Markets units. Dresdner Kleinwort will support publicly traded German and international groups as well as institutional clients. Through Dresdner Kleinwort, the Group intends to restore capital market activities. The capital markets business plays a key role as a product development factory for the bank as a whole, for example for structured investment products for private investors and hedging instruments for the middle market and large groups.

Transaction processing and internal services, e. g. services in the areas of IT, human resources and transaction services, will be bundled in a new Business Services division.

In addition, the Group established the Corporate Other segment comprising income and expense items that are not assigned to Dresdner Bank's operating divisions, similar to the former Consolidation & Adjustments segment, as well as certain central corporate functions such as finance, risk management, marketing & communication and internal audit. The income and expense items in Corporate Other include, in particular, impacts from the accounting for derivative financial instruments which do not qualify for hedge accounting, provisioning requirements for country and general risks, as well as realized gains and losses from Dresdner Bank's non-strategic investment portfolio. As the Group's remaining non-strategic investments are now included in the Corporate Other segment, the Group will no longer present a Corporate Investments segment as in past years.

Competition

The Group is subject to competition from both banks and financial services companies and, in some of its activities, from government agencies. Substantial competition exists among a large number of commercial banks, savings banks, other public sector banks, brokers and dealers, investment banking firms, insurance companies, investment advisors, mutual funds and hedge funds to provide the types of banking products and services that the Group offers in its operations.

First Quarter Ended March 31, 2006 Compared to First Quarter Ended March 31, 2005

The following table shows the Dresdner Bank Group's unaudited interim consolidated income statement for the three months ended March 31, 2006 and March 31, 2005.

	Three Months Ended March 31,	
	2006	2005
	(€ in millions)	
Net interest and current income	577	529
Net fee and commission income	793	666
Net trading income	452	422
Other operating income	31	0
Operating income	1,853	1,617
Administrative expenses	(1,389)	(1,313)
Other operating expenses	(3)	(13)
Operating expenses	(1,392)	(1,326)
Loan loss provisions	33	(100)
Operating result	494	191
Result from investment securities	395	1,202
Restructuring charges	(2)	0
Income before taxes	887	1,393
Tax expense	(225)	(70)
Income after taxes	662	1,323
Income attributable to minority interests	(21)	(17)
Net income	641	1,306

Consolidated Net Income

2006 began positively for the Dresdner Bank Group. In the first quarter of 2006, operating income rose by 14.6% in comparison to the prior-year period – due, among other things, to the favorable capital market environment – to € 1,853 million (first quarter 2005: € 1,617 million). After deducting operating expenses (administrative expenses and other operating expenses) in the amount of € 1,392 million (first quarter 2005: € 1,326 million) and adjustment for a net release of loan loss provisions in the amount of € 33 million, the operating result for the first quarter of 2006 was € 494 million. This represents a substantial increase of € 303 million compared to the first quarter of 2005 (€ 191 million).

The non-operating result for the first quarter of 2006 amounted to € 393 million, compared to € 1,202 million in the first quarter of 2005. The result in 2006 primarily reflects a gain of € 281 million from the disposal of the remaining Munich Re shares held by Dresdner Bank. In the first quarter of 2005, the retrospective application of the IAS 39 revised to periods prior to 2005 led to a one-time gain of € 1,248 million, resulting as well from the sale of Munich Re shares and Allianz shares during that period. After adjusting for these disposal gains, the non-operating result in the first quarter of 2006 amounted to € 112 million, up from €(46) million in the first quarter of 2005.

After a tax expense of € 225 million, income after taxes amounted to € 662 million (first quarter 2005: € 1,323 million). After adjusting for the disposal gains described above, income after taxes amounted to € 381 million, up from € 75 million in the prior-year period.

Details of the individual income and expense items are as follows:

Net interest and current income in the first quarter of 2006 amounted to € 577 million, representing a rise of € 48 million, or 9.1%, compared to the first quarter of 2005. The remeasurement loss from IAS 39 contained in net interest and current

income declined substantially in comparison to the first quarter of 2005 (€ (107) million), to € (13) million. After adjusting for remeasurement gains and losses from the application of IAS 39, the overall interest margin declined to 2.13 % (first quarter 2005: 2.50 %); this was mainly due to the closure of the IRU and lower income from investments in enterprises accounted for using the equity method.

Net fee and commission income increased by 19.1 % in comparison with the previous year to € 793 million. Income from the securities business rose substantially to total € 420 million (first quarter 2005: € 343 million). The Dresdner Bank Group recorded growth in particular from equities, investment funds and certificates business. Fees and commissions from the Group's mergers & acquisitions business and, to a lesser extent, underwriting business more than doubled year-on-year to € 90 million. Net fee and commission income from asset management amounted to € 82 million, representing an increase compared to the first quarter of 2005 (€ 71 million). Income from both payment transactions and foreign commercial business declined slightly by comparison with the prior-year period.

At € 452 million, net trading income increased 7.1 % compared to the first three months of 2005, which was significantly the strongest quarter in 2005. Remeasurement gains and losses from the application of IAS 39 impacted the quarterly comparison by € 97 million. Income from trading in equities products rose sharply: at € 136 million, it was substantially above the figure for the previous year (€ 68 million). Income from foreign exchange and precious metals trading increased significantly by approximately 86 %; as a result, this product area contributed € 110 million to total net trading income. At € 216 million, income from trading in interest rate products was up only slightly year-on-year (€ 208 million), due to the decline in income from credit derivatives.

Administrative expenses in the first quarter of 2006 totalled € 1,389 million, representing an increase of 5.8 % in comparison to the first quarter of 2005 (€ 1,313 million). At € 495 million, non-staff operating costs declined slightly compared to the prior-year period, while total staff costs rose by 9.9 %. The increase in total staff costs to € 894 million was mainly due to higher performance-related salary components year on year, which related to the encouraging improvement in income during the reporting period. Due to the changes in income and expenditure, the cost-income ratio improved by 6.9 percentage points overall to 75.1 % (first quarter 2005: 82.0 %).

Loan loss provisions recorded a net release of € 33 million in the first quarter of 2006, after net additions of € 100 million in the first quarter of 2005. The improved quality of the Dresdner Bank Group's loan portfolio led in particular to a substantial reduction in additions to specific loan loss provisions in the first quarter 2006 by comparison with the prior-year period. Releases, which also declined, and recoveries on loans previously written off together more than offset these additions. Overall loan loss allowances after additions, releases and charge-offs amounted to € 1,530 million, corresponding to 1.6 % of the lending volume. Risk elements declined by € 0.4 billion to € 2.5 billion. The coverage ratio amounted to 60.4 % (year-end 2005: 56.8 %).

The result from investment securities for the first quarter was € 395 million, compared to € 1,202 million in the first quarter of 2005. The result in 2006 contains a disposal gain from the sale of Dresdner Bank's Munich Re shares in the amount of € 281 million. In 2005, the result from investment securities was based on the retrospective application of IAS 39 revised and amounted to € 1,248 million, resulting from the sale of Dresdner Bank's Allianz and Munich Re shares. After adjusting for these disposal gains, the result from investment securities amounted to € 114 million, up from € (46) million in the first quarter of 2005. The amount of € 114 million benefited from the sale of the second tranche of shares held by Dresdner Bank in Eurohypo AG in March 2006. After adjusting for a tax expense in the amount of € 225 million (first quarter 2005: € 70 million), net income after taxes amounted to € 662 million (first quarter 2005: € 1,323 million).

Net Worth and Financial Position

The Dresdner Bank Group's total assets at March 31, 2006 amounted to € 498.3 billion, representing an increase of 8.0 %, or € 36.9 billion, compared to total assets at December 31, 2005.

This increase is primarily due to an increase in the volume of securities-backed money market transactions. The recovery in the yield curve in the course of the year led to increasing opportunities for arbitraging in the money-market area in particular. This is reflected in particular in the increase in the two line items "loans and advances to banks" and "liabilities to banks".

	March 31, 2006	December 31, 2005	Change	
		(€ in millions)		(in %)
Total assets	498,258	461,372	36,886	8.0
Lending volume	98,374	98,532	(158)	(0.2)
Equity	13,556	13,976	(420)	(3.0)

Loans and advances to banks and customers. The volumes of loans and advances to banks and customers rose by a total of € 51.6 billion by comparison with year-end 2005, to € 313.3 billion. Within this figure, securities-backed money market transactions rose by € 51.4 billion to € 187.2 billion.

At € 98.4 billion, the lending volume was at the December 31, 2005 level. Loans to customers declined slightly to € 92.5 billion, while loans to banks rose by approximately 3 percentage points to € 5.9 billion.

Equity. The equity reported in the balance sheet as at March 31, 2006, including minority interests, amounted to € 13.6 billion. Excluding minority interests, equity amounted to € 11.4 billion. The remeasurement gain from financial instruments relating to the ongoing disposal of investments declined as against year-end 2005 to € 1.1 billion.

Regulatory capital (BIS). Regulatory capital consists of core capital, supplementary capital and Tier 3 capital. The core capital primarily consists of subscribed capital, reserves and silent partnership certificates counting as hybrid components. The core capital as at March 31, 2006 amounted to € 11.7 billion. The supplementary capital of € 6.8 billion primarily comprises profit participation rights and subordinated liabilities. Total regulatory capital amounted to € 18.5 billion. The 3.9% increase in risk-weighted assets in accordance with IFRS to € 115.9 billion was mainly the result of the targeted risk-oriented expansion of Group's capital markets business. The BIS core capital ratio was 10.1% (December 31, 2005: 10.0%), while the total capital ratio was 16.0% (December 31, 2005: 16.3%).

Capitalisation of the Group

Liabilities and Equity	At March 31, 2006
	(€ in millions)
Financial liabilities at fair value	81,664
Liabilities to banks	156,991
Liabilities to customers	183,010
Certificated liabilities	46,325
Provisions and other liabilities	9,073
Deferred tax liabilities	547
Subordinated liabilities	5,579
Profit-participation certificates	1,513
Equity	13,556
– Parent shareholders' equity	11,427
– Subscribed Capital	1,503
– Additional paid-in capital	6,383
– Retained earnings	2,212
– Translation reserve	(415)
– Cumulative remeasurement gains/losses on financial instruments	1,103
– Net income	641
– Minority interests	2,129
Total liabilities and equity	498,258

Contingent Liabilities and Other Commitments

The table below shows the Group's contingent liabilities and other commitments as of March 31, 2006 and December 31, 2005

	March 31, 2006	December 31, 2005
--	-------------------	----------------------

(€ in millions)

Contingent liabilities	18,824	17,488
Of which: on guarantees and warranties	18,820	17,484
Other commitments	38,138	38,648
Of which: irrevocable loan commitments	38,134	38,643

For more information on the Group's contingent liabilities and other commitments as well as other financial commitments, please see Note 42 and Note 43 to the Dresdner Bank Group's consolidated financial statements for the year ended December 31, 2005.

Capital and Shares

The subscribed capital of the bank as of March 31, 2006 amounted to € 1,502,972,205.80 divided into 578,066,233 ordinary shares in registered form, with a notional no par value. At present, Dresdner Bank has no preference shares outstanding. The right of shareholders to certification for their shares is excluded.

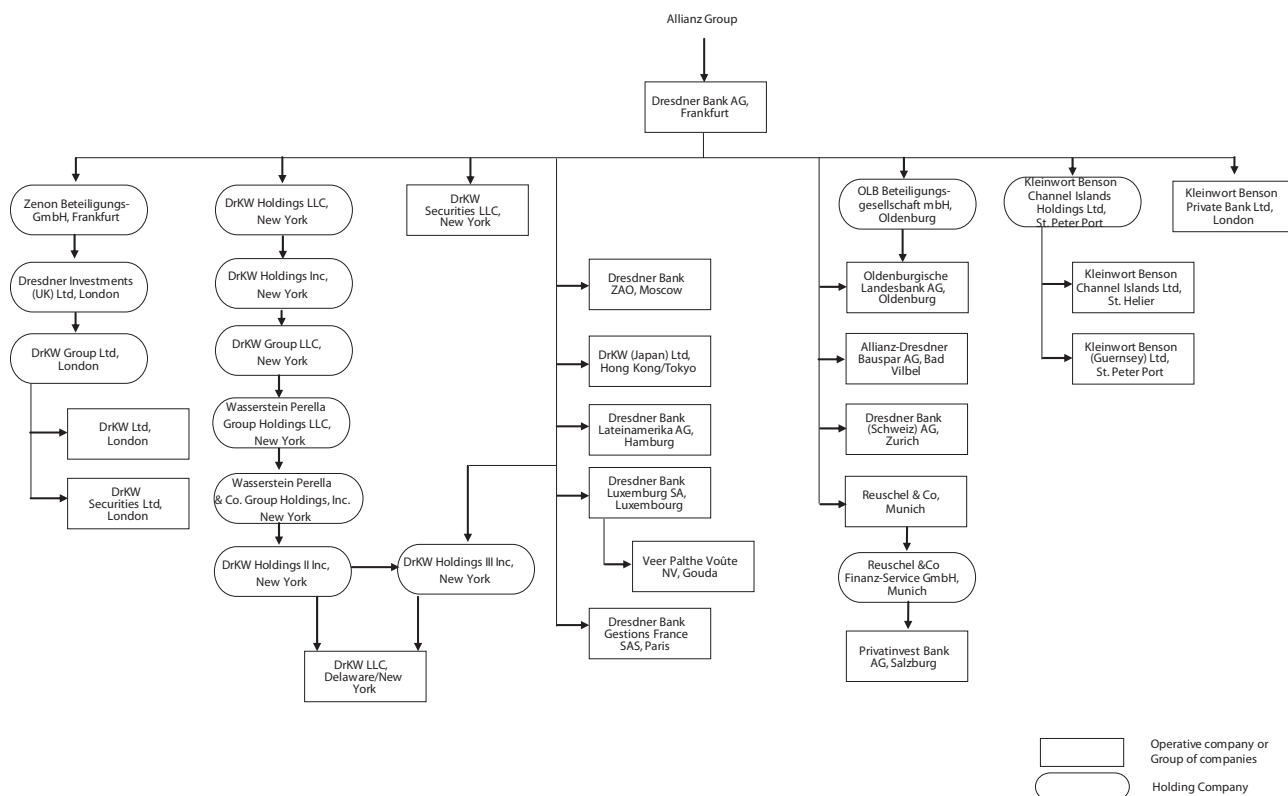
Dresdner Bank's subscribed capital is fully paid up.

Dresdner Bank has no outstanding securities representing a conversion right or option on Dresdner Bank shares. In particular, no warrants or convertible bonds have been issued.

Dresdner Bank's entire share capital is owned by the Allianz Group.

Major Subsidiaries of the Dresdner Bank Group

Dresdner Bank Group, major subsidiaries (December 31, 2005):



Note: Major subsidiaries only. Some shareholdings are < 100 %.

Audit of the Financial Statements

The financial statements of the Bank and the consolidated financial statements for the financial years 2003, 2004 and 2005 were audited by KMPG, Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Marie-Curie-

Strasse 30, 60439 Frankfurt am Main (Germany). Unqualified auditor's reports were issued on the financial statements of Dresdner Bank as well as on the consolidated financial statements of Dresdner Bank. KPMG is a member of the Institut der Wirtschaftsprüfer e. V., Düsseldorf (Germany) (the IDW) and the Wirtschaftsprüferkammer.

General Meetings of Shareholders

The general meetings of shareholders are convened by the Board of Managing Directors (*Vorstand*) or by the Supervisory Board (*Aufsichtsrat*). Each share is entitled to one vote at the general meeting.

The resolutions of the general meeting of shareholders are passed, unless the Articles of Association or mandatory provisions of the German Stock Corporation Act (*Aktiengesetz*) provide otherwise, by a simple majority of votes cast. A particular exception is a resolution to dissolve the Bank which requires a majority of four-fifths of the votes cast and a majority of three-quarters of the subscribed capital.

Financial Year

The financial year is the calendar year.

Management

In accordance with the German Stock Corporation Act, the Bank has a Supervisory Board and a Board of Managing Directors. The two Boards are separate and no individual may be a member of both at any one time.

According to the Articles of Association, the Board of Managing Directors must consist of two or more members. The actual number of Managing Directors is determined by the Supervisory Board. At present, there are seven members, as listed below:

Member	Responsibility
Dr. Herbert Walter	Chairman of the Board of Managing Directors
Dr. Andreas Georgi	Private & Corporate Clients
Dr. Stefan Jentzsch	Investment Banking
Wulf Meier	Human Resources
Klaus Rosenfeld	Finance/Controlling & Compliance
Otto Steinmetz	Risk Management
Dr. Friedrich Wöbking	Information Technology

Dr. Stephan Andreas Kaulvers and Jan E. Kvarnström were members of the Board of Managing Directors until March 8, 2006 and February 28, 2006, respectively.

The Supervisory Board has appointed Andree Moschner as a regular member of the Board of Managing Directors with effect from August 1, 2006. Andree Moschner will be responsible for target group marketing and production for the Private & Corporate Clients division.

The Board of Managing Directors must report regularly to the Supervisory Board, in particular on proposed business policy and strategy, profitability and on the current business of the Bank as well as on any exceptional matters which arise from time to time. According to the Articles of Association, the Supervisory Board consists of 20 members. At present, the members are:

Michael Diekmann	Chairman of the Board of Managing Directors of Allianz Aktiengesellschaft, Munich, Chairman
Peter Haimerl	Dresdner Bank AG, Munich, Deputy Chairman (*)
Claudia Eggert-Lehmann	Dresdner Bank AG, Dortmund (*)
Thomas Fröhlich	Dresdner Bank AG, Frankfurt am Main (*)
Christian Höhn	Dresdner Bank AG, Munich (*)
Oda-Renate Krauss	ver.di Vereinte Dienstleistungsgewerkschaft, Berlin (*)
Dr. Heinz Kriwet	Member of the Supervisory Board of ThyssenKrupp AG, Dusseldorf
Prof. Dr. Edward G. Krubasik	Member of the Board of Managing Directors of Siemens AG, Munich
Dr. Dietmar Kuhnt	Member of the Supervisory Board of RWE AG, Essen
Igor Landau	Member of the Board of Directors of Sanofi-Aventis S. A., Paris
Dr. Hartmut Mehdorn	Chairman of the Board of Managing Directors of Deutsche Bahn AG, Berlin
Brunhilde Nast	Dresdner Bank AG, Dresden (*)
Dr. Helmut Perlet	Member of the Board of Managing Directors of Allianz AG, Munich
Dr. Bernd Pischetsrieder	Chairman of the Board of Managing Directors of Volkswagen AG, Wolfsburg
Stefan Quandt	Chairman of the Supervisory Board of Delton AG, Bad Homburg v. d. H.
Jürgen Rose	Dresdner Bank AG, Nuremberg (*)
Sultan Salam	Dresdner Bank AG, Frankfurt am Main (*)
Margit Schoffer	Dresdner Bank AG, Aalen (*)
Uwe Spitzbarth	ver.di Vereinte Dienstleistungsgewerkschaft, Berlin (*)
Dr. Bernd W. Voss	Former Member of the Board of Managing Directors of Dresdner Bank AG, Frankfurt am Main

(*) Members of the Supervisory Board representing the employees.

A member of the Supervisory Board elected by the shareholders may be removed by the shareholders by a majority of at least three quarters of the votes cast at a general meeting of shareholders. A member of the Supervisory Board elected by the employees may be removed by a majority of at least three quarters of the votes cast by the relevant class of employees. The Supervisory Board appoints a Chairman and a Deputy Chairman from amongst its members. At least half the members of the Supervisory Board must be present to constitute a quorum. Unless otherwise provided for by the law or the Articles of Association, resolutions are passed by a simple majority of the Supervisory Board. In the event of a tie, another vote is held and the Chairman (who is, in practice, always a representative of the shareholders) then has a casting vote.

Some members of Dresdner Bank's Executive Board and Supervisory Board also serve on the management boards or supervisory bodies of other companies. A non-exhaustive list of such duties can be found in the notes to the consolidated financial statements of Dresdner Bank for fiscal year 2005 under item 53 for the members of Supervisory Board, and item 54 for members of the Executive Board. This means that potential conflicts between these members' obligations to Dresdner Bank and their private interests or other obligations cannot be completely ruled out. Dresdner Bank is confident that its internal corporate governance practices and the relevant statutory provisions ensure that any conflicts of interest of the type described above are disclosed.

The business address of the Bank's members of the Board of Managing Directors and Supervisory Board is: Dresdner Bank AG, Juergen-Ponto-Platz 1, 60301 Frankfurt am Main (Germany).

Cost-Cutting and Restructuring Measures

As of December 31, 2005, the Dresdner Bank Group has provisions for restructuring for a number of restructuring programs in various segments. These provisions for restructuring primarily include personnel costs, which result from employee terminations, and contract termination costs, including those relating to the termination of lease contracts, that will arise in connection with the implementation of the respective initiatives. Restructuring charges are included in other expenses.

Changes in the provisions for the Group's restructuring were:

	2005	2004	2003
	(€ in millions)		
As of January 1	657	815	365
New provisions (*)	22	132	389
Additions to existing provisions	29	143	324
Release of provisions recognized in previous years	(48)	(62)	(47)
Release of provisions via payments	(275)	(287)	(196)
Release of provisions via transfers	(294)	–	–
Changes in the consolidated subsidiaries of the Dresdner Bank Group	–	(55)	(7)
Foreign currency translation adjustments	12	(6)	(13)
Other	(13)	(23)	–
As of December 31	90	657	815

(*) In addition, during the year ended December 31, 2005, the Dresdner Bank Group directly reflected restructuring charges of € 9 million in its income statement (2004: € 77 million; 2003: € 174 million).

Provisions for restructuring

Dresdner Bank Group supplemented its existing restructuring programs introduced since 2000 with some further measures. For these combined initiatives, Dresdner Bank Group has announced plans to eliminate an aggregate of approximately 17,050 positions. As of December 31, 2005, an aggregate of approximately 15,490 positions had been eliminated and approximately 760 additional employees had contractually agreed to leave Dresdner Bank Group under these initiatives.

During the year ended December 31, 2005, Dresdner Bank Group recorded restructuring charges for all restructuring programs of € 12 million. This amount includes new provisions, additions to existing provisions, release of provisions recognized in previous years, and restructuring charges directly reflected in the Group's income statement. A summary of the restructuring charges related to Dresdner Bank Group for the year ended December 31, 2005, by restructuring program is as follows:

	2005	2004	2005	Other	Total
	Measures	Measures	New	Programs	
	(€ in millions)				
New provisions	22	–	–	–	22
Additions to existing provisions	–	6	18	5	29
Release of provisions recognized in previous years	–	(16)	(26)	(6)	(48)
Restructuring charges directly reflected in the consolidate income statement	1	1	4	3	9
Total restructuring charges during the year ended Dec. 31	23	(9)	(4)	2	12
Total restructuring charges incurred to date	23	130	578 (*)	1,332	2,063
Total restructuring charges expected to be incurred	–	–	3	–	3

(*) Includes € 106 million primarily related to outsourcing domestic retail securities processing (and custody) and payment processing activities, as well as impairment charges related to information technology systems necessitated by the revised business model.

A summary of the existing provisions for restructuring related to the Dresdner Bank Group is as follows:

2005 Measures

During the year ended December 31, 2005, Dresdner Bank Group recorded restructuring charges of € 23 million for further restructuring initiatives announced in addition to and separately from the “2004 Measures” and from the “New Dresdner” program. Through these 2005 Measures, Dresdner Bank Group plans to eliminate 250 positions mainly within the Corporate Functions Units. Approximately 25 employees’ contracts had been terminated and approximately 15 additional employees had contractually agreed to leave Dresdner Bank Group pursuant to the 2005 Measures as of December 31, 2005.

2004 Measures

During the year ended December 31, 2004, further restructuring initiatives were announced by Dresdner Bank Group in addition to the “New Dresdner” program. Through these 2004 Measures, Dresdner Bank Group planned to eliminate 1,100 positions mainly within the Personal Banking and DrKW divisions, as well as within Dresdner Bank Lateinamerika, which was part of the former IRU division. Approximately 540 employees’ contracts (2004: 40 employees’) had been terminated and approximately 310 additional employees had contractually agreed to leave Dresdner Bank Group pursuant to the 2004 Measures as of December 31, 2005.

New Dresdner

In August 2003, Dresdner Bank Group announced the “New Dresdner” program as part of its cost-cutting initiatives to eliminate approximately 4,700 positions in the banking operations by December 31, 2005. This initiative focuses on the back-office areas and the support functions, which will primarily affect Dresdner Bank Group’s head office. Approximately 3,830 employees’ contracts (2004: 2,740 employees’) had been terminated and approximately 340 additional employees had contractually agreed to leave Dresdner Bank Group pursuant to the New Dresdner program as of December 31, 2005.

In February 2003, Dresdner Bank announced a plan to integrate the activities of Dresdner Bank Group’s direct banking subsidiary Advance Bank into the Allianz Group during the year ended December 31, 2003. This initiative involved the elimination by mid 2004 of approximately 400 positions, which were also included within the 4,700 positions of the New Dresdner program. All 400 positions had been eliminated as of December 31, 2005.

Other Programs

In addition to the above mentioned programs, there were four further cost-cutting and restructuring programs that were implemented by Dresdner Bank Group from 2000 through 2002. These programs included the Turnaround 2003 program, two restructuring activities announced during the year 2001, and the first restructuring plans established by Dresdner Bank Group in May 2000. Although the last program was announced by Dresdner Bank Group prior to its acquisition by Allianz AG it had been included in the consolidated financial statements of the Allianz Group. These programs involved an aggregated reduction of approximately 11,000 positions and the last remaining measures were completed by December 31, 2005.

A summary of the changes in the provisions for restructuring of the Dresdner Bank Group during the year ended December 31, 2005 is:

	Provisions as of 1/1/2005	New pro- visions	Additions to existing provisions	Release of provisions recognized in previous years	Release of provisions via cash payments	Release of provisions via transfers	Foreign currency translation adjust- ments	Other	Provisions as of 12/31/2005
(€ in millions)									
2005 Measures									
Personnel costs	-	22	-	-	-	(3)	-	-	19
Subtotal	-	22	-	-	-	(3)	-	-	19
2004 Measures									
Personnel costs	123	-	6	(15)	(42)	(58)	1	-	15
Contract termination costs	4	-	-	(1)	-	-	-	-	3
Other	5	-	-	-	(2)	(2)	-	-	1
Subtotal	132	-	6	(16)	(44)	(60)	1	-	19
New Dresdner									
Personnel costs	290	-	16	(22)	(117)	(107)	1	(9)	52
Contract termination costs	17	-	2	(3)	(5)	(11)	-	-	-
Other	1	-	-	(1)	-	-	-	-	-
Subtotal	308	-	18	(26)	(122)	(118)	1	(9)	52
Other Programs									
Personnel costs	125	-	-	(3)	(56)	(62)	-	(4)	-
Contract termination costs	28	-	2	(1)	(6)	(24)	1	-	-
Other	64	-	3	(2)	(47)	(27)	9	-	-
Subtotal	217	-	5	(6)	(109)	(113)	10	(4)	-
Total	657	22	29	(48)	(275)	(294)	12	(13)	90

The development of the restructuring provisions reflects the implementation status of the restructuring initiatives. Based on the specific IFRS guidance, restructuring provisions are recognized prior to when they qualify to be recognized under the guidance for other types of provisions. In order to reflect the timely implementation of the various restructuring initiatives, restructuring provisions, as far as they are already 'locked in', have been transferred to the provision type, which would have been used not having a restructuring initiative in place. This applies for each single contract. For personnel costs, at the time an employee has contractually agreed to leave Dresdner Bank Group by signing either an early retirement, a partial retirement (Altersteilzeit, which is a specific type of an early retirement program in Germany), or a termination agreement the respective part of the restructuring provision is transferred to provisions for employee expenses. In addition, provisions for vacant office spaces that result from restructuring initiatives have been transferred to 'other' provisions after the offices have been completely vacated. In this context, Dresdner Bank Group recorded releases of provisions via transfers to other provision categories of € 294 million.

Legal Proceedings

Except as stated below neither Dresdner Bank nor its subsidiaries are involved in any other administrative, legal or arbitration proceedings which could have, or have had in the last twelve months, a significant adverse effect on Dresdner Bank's and/or Dresdner Bank Group's financial position or profitability and, to the best of Dresdner Bank's knowledge, no such proceedings are pending or threatened.

Class Actions

In the United States of America, class action lawsuits have been filed against Dresdner Bank, further credit institutions and other enterprises in connection with the purported support of the former Apartheid regime in South Africa. Dresdner Bank is a defendant in two such lawsuits which, together with other cases, have been consolidated in December 2002 and June 2003, respectively, in the United States District Court, Southern District of New York. The plaintiffs allege that the defendant credit institutions and other enterprises provided funds, technology and equipment to a system known as Apartheid enabling it to commit crimes against humanity between 1948 and 1993. The plaintiffs seek unspecified compensatory and punitive damages and other relief from the defendants such as the establishment of an independent historical commission. The claim was dismissed at first instance and is now pending before the United States Court of Appeals for the 2nd Circuit.

A further class action filed in August 2003 in the United States of America against Dresdner Bank, further credit institutions and other enterprises, refers to the involvement in the processing of letters of credit under which allegedly goods for the production of chemical weapons were exported to Iraq in the years between 1980 and 1991. The plaintiffs, veterans of the 1st Gulf War, seek an unspecified amount of compensatory and punitive damages and other relief, such as the establish-

ment of a court supervised program to monitor the veterans medically. The claim was dismissed at first instance. However, the decision is not final.

In December 2004 descendants of Armenian nationals filed a class action against Dresdner Bank and another German credit institution in California. The class action focused on the business activities of the former Deutsche Orientbank AG in the Ottoman Empire at the end of the 19th/beginning of the 20th century. Deutsche Orientbank AG was later merged into Dresdner Bank AG. The plaintiffs allege that the Deutsche Orientbank AG failed to return deposits of Armenian nationals to its customers and accepted gold deposits from the then Turkish government knowing that the gold was stolen from members of the Armenian ethnic group. The claim was dismissed at first instance in August 2005 and refiled in California in January 2006.

In January 2006, a putative class action lawsuit was filed against Dresdner Bank AG and some of its subsidiaries by six employees of DrKW in the United States District Court for the Southern District of New York. The plaintiffs are claiming an amount of USD 1.4 billion alleging gender-based discrimination. Dresdner Bank believes that the claims are without merit.

Commission of the European Union

The Commission of the European Union has opened proceedings pursuant to Article 81 of the EU-Treaty against several banks in connection with bank prices for the exchange of currencies in the Euro-Zone. Dresdner Bank is one of the banks that has been fined in December 2001. Dresdner Bank was fined € 28 million. The Bank has rejected the charge of pricing agreements. In February 2002 it therefore initiated legal proceedings at the Court of First Instance of the European Communities against the Commission of the European Union seeking the nullification of the fine. The Court of First Instance ruled accordingly. The European Commission appealed against this judgment.

Kirch Media GmbH & Co KGaA

The insolvency administrator of KirchMedia GmbH & Co. KGaA (**KirchMedia**) made a formal demand on Dresdner Bank AG to compensate the insolvency assets (*Insolvenzmasse*) of KirchMedia for the loss of a 25 % shareholding in the Spanish television group Telecinco. In June 2005, the insolvency administrator filed an action for a part of the claim. The shareholding had been pledged by subsidiaries of KirchMedia to Dresdner Bank AG as collateral for a loan of € 500 million from Dresdner Bank to KirchMedia's holding company, TaurusHolding GmbH & Co. KG (or **TaurusHolding**). Following Taurus Holding's default on the loan in April 2002 and insolvency in June 2002, Dresdner Bank AG acquired through a subsidiary the Telecinco shareholding in a forced auction sale. The insolvency administrator contends that the pledge was created under circumstances that cause it to be invalid or void. Dresdner Bank believes that there is no valid basis for the insolvency administrator's demand. At the end of June 2004, the 25 % shareholding was placed within Telecinco's initial public offering.

Heye KG

The insolvency administrator and the major limited partner of Heye KG have filed a complaint in the regional court of Bückeburg claiming damages of approximately € 200 million from Dresdner Bank, alleging a failure to execute transfer orders of Heye KG despite a purported line of credit. The claim was dismissed at first instance. However, the decision is not final.

Philipp Holzmann AG

In 2002 Philipp Holzmann AG filed an insolvency petition. The insolvency administrator presently alleges extra-judicial claims against a banking syndicate in which Dresdner Bank holds a participation of less than 6%. Albeit ongoing discussions about the alleged claims the member banks of the syndicate including Dresdner Bank believe that such claims are without merit. According to current assessment Dresdner Bank would in a worst case scenario be burdened with a low three-figure million Euro amount.

SAirGroup

The liquidator of SAirGroup filed actions to rescind payments of SAirGroup to Dresdner Bank in summer 2001 in an aggregate amount of € 76 million. To the extent known to Dresdner Bank the payments of SAirGroup have not been made with the intent to give preference to Dresdner Bank and to prejudice other creditors. As of today the claim seems to be without merit.

Outlook

Business opportunities outweigh risks in 2006. The global economy is likely to expand at a similar pace to the previous year and maintain its slightly above-trend growth rate. There will be a slight slowdown in the dynamic economic development to

date in the USA and Asia. Overall, however, the two drivers of global growth will remain robust. Potential risks to the dynamism of the global economy are to be found in raw materials price trends, imbalances in foreign trade and potential geopolitical tensions.

Europe will therefore continue to benefit in 2006 from an ongoing strong expansion in world trade, and will achieve a moderate acceleration in growth. In Germany, this year domestic activity will be stronger and, along with exports, will provide additional support for economic development. Capital expenditure will increasingly join exports in driving German growth, and the Grand Coalition's financial policies will promote investment. Meanwhile, in view of the increase in VAT planned for 2007, the second half of the year is likely to see pull forward effects on domestic demand. With growth of 2.0%, Germany will finally again make a significant contribution towards growth in the euro zone.

Against this background, expectations for the capital markets exhibit cautious optimism. This will have a positive effect on the capital markets business and on investment interest among private and institutional clients. Demand for loans will benefit from the continued increase in capital expenditure, even if a substantial proportion of this will be funded internally by companies.

The Dresdner Bank Group intends to exploit the opportunities this situation offers. The Group has laid the foundations for further developments to its business model. In the Bank's opinion, the Private & Corporate Clients business offers substantial potential over the next few years, particularly in the growth areas of financial provision, wealth and real estate. The growth areas of capital market solutions and corporate finance products will be the focus of the Group's corporate and institutional clients business. All in all, the Group expects these two areas of business to generate annual growth rates significantly above those for traditional banking business. The Group intends with its products and know how to capture a significant share of this earnings potential. In parallel with its on-going focus on clients, the Group shall implement additional measures that will noticeably improve efficiency in its functions.

The Group is expecting a significant improvement in its operating result for 2006. Specifically it expects its operating income to rise. The Group sees opportunities to grow its net interest and current income, especially by expanding its business in structured finance and corporate lending. The Group anticipates a rise in net fee and commission income in the securities business with private clients and an upturn in the mergers & acquisitions and capital markets business in Investment Banking. In its trading activities, the Bank will continue to focus on the high margin areas of complex derivatives and structured transactions, thus generating additional income. The Group aims to keep administrative costs at a stable level through strict control of costs and the systematic implementation of rationalization and efficiency improvement measures. The Group expects loan loss provisions to increase.

This assessment of the Group's business development is based on planning and forecasts that use the information available to it at this time. This includes publicly available market data, macroeconomic parameters, as well as economic forecasts by reputable economic institutes and associations.

As an international financial services provider, the Group's business is determined to a large degree by the situation on the markets. This includes in particular developments on the capital markets as well as the overall development of the economy, with corresponding consequences for its entire customer business. Accordingly, extreme or unexpected volatility of the financial markets could have negative consequences for its income from the capital markets. Moreover, lending is a substantial component of the Group's core business. If macroeconomic conditions should worsen again, a corresponding influence on the development of the Group's business and income cannot be ruled out. However, the Group does not see any signs of such negative developments at present.

Recent Developments

On June 22, 2006, the Group announced its new integrated business model. The Group is further integrating its business units and establishing distinct divisions for Private & Corporate Clients, Investment Banking and Business Services (see also section Operations by Divisions). By more closely integrating the divisions the Group plans to reinforce cross-selling and to achieve stronger growth and lower costs. The Group intends to safeguard its long-term success by simplifying hierarchies, structures and processes. A comprehensive package of measures is aimed at increasing quality for clients and cutting administrative costs. 2,480 positions are planned to be cut by 2008. This will affect 1,980 positions at Dresdner Bank and 500 at domestic and international subsidiaries. The restructuring expenses will be up to € 400 million.

Regulation

The following explains certain regulatory matters which are of significance to the business of Dresdner Bank and the Dresdner Bank Group.

The Bank is authorised to conduct general banking business and to provide financial services under and, subject to the requirements set forth in, the German Banking Act (*Gesetz über das Kreditwesen*). The Bank is subject to comprehensive supervision by the BaFin, which is supported in its function by the Deutsche Bundesbank, the German central bank.

The German Banking Act

The German Banking Act contains the basic set of rules applicable to German banks, including the requirement for a banking license, and regulates the business activities of German banks. The BaFin supervises the operations of banks to ensure that they conduct their business in accordance with the provisions of the German Banking Act and other applicable German laws and regulations. The BaFin places particular emphasis on ensuring compliance with:

- capital adequacy and liquidity requirements;
- large exposure limits; and
- restrictions on certain activities imposed by the German Banking Act and the regulations issued thereunder.

Capital Adequacy Requirements

Current Regulatory Framework

The German capital adequacy requirements provide that banks guard against counterparty risk (*Adressenausfallrisiko*) and market risk (*Markttrisiko*) by possessing certain levels of minimum capital. Counterparty risk is covered by “Regulatory Banking Capital” (*haftendes Eigenkapital*), whereas market risk is covered by “Own Funds” (*haftende Eigenmittel*) comprising Regulatory Banking Capital and “Tier 3 Capital”. Pursuant to “Principle I” of the BaFin, each bank must maintain a ratio (the Solvency Ratio) of Regulatory Banking Capital to risk adjusted assets (including financial swaps, financial forward transactions, options, and other off-balance-sheet items) of at least eight per cent.

Pursuant to the German Banking Act, for Dresdner Bank, as a bank that is organized in the form of a stock corporation, Regulatory Banking Capital (the numerator of the Solvency Ratio) consists of “Core Capital” or “Tier 1 Capital” (*Kernkapital*) and “Supplementary Capital” or “Tier 2 Capital” (*Ergänzungskapital*). The distinction between Core Capital and Supplementary Capital reflects the different degrees of loss or insolvency protection provided by the individual Regulatory Banking Capital items. Supplementary Capital may be taken into account only up to the amount of Core Capital. In addition, longer-term subordinated debt is recognized as Regulatory Banking Capital only up to 50 per cent. of the amount of Core Capital.

Core Capital comprises:

- paid-in subscribed capital;
- capital reserves;
- retained income;
- funds for general banking risks (an item that a bank may create on the liability side of its balance sheet, in its reasonable commercial judgment, to reflect the special risks inherent in its banking business);
- capital paid in consideration of silent partnership interests (*Stille Beteiligungen*).

Supplementary Capital consists of:

- reserves for general banking risks (a bank may record on its balance sheet certain receivables at a lower value than that permitted for commercial and other non-banking entities if the use of a lower value is, in the bank’s reasonable business judgment, advisable to safeguard against the special risks inherent in the banking business), provided that such reserves do not exceed 4 per cent. of the book value of such receivables and securities;
- capital paid in consideration of profit-participation rights (*Genussrechte*) meeting certain conditions set out in the German Banking Act;

- longer-term subordinated debt meeting certain conditions set out in the German Banking Act;
- certain unrealized reserves; and
- reserves pursuant to § 6b of the German Income Tax Law (*Einkommensteuergesetz*), 45 per cent of such reserves being included in Regulatory Banking Capital to the extent that they were created from the proceeds of the sale of real property, property rights equivalent to real property, and buildings.

The German Banking Act requires that the following be deducted in computing Regulatory Banking Capital:

- losses;
- certain intangible assets (including goodwill); and
- certain participations in banks, financial services institutions or other financial enterprises.

Under Principle I, the risk-adjusted value of assets of a bank (the sum of which is the denominator of the Solvency Ratio) is computed by assigning assets to one of five basic categories of relative credit risk (i. e., 0, 10, 20, 50 and 100 per cent.) depending on the debtor or the type of collateral securing the assets. The balance sheet value of each asset item is multiplied by the percentage weight applicable to its risk category to arrive at the risk-adjusted value.

Off-balance-sheet items, such as financial guarantees, letters of credit, swaps, and other financial derivatives, are subject to a two-tier adjustment. First, their value (or in the case of guarantees and letters of credit, their amount, or in the case of swaps and other derivatives, the value computed on a market or time basis) is adjusted according to their risk classification (i. e., 20, 50 and 100 per cent.) depending on the type of instrument. Then the off-balance-sheet items are assigned, similar to balance-sheet assets, to credit risk categories depending on the type of the counterparty, debtor or type of collateral, if any, securing the respective assets and multiplied by the applicable percentage weight.

In addition to the capital adequacy requirements for counterparty risk, Principle I also lays down principles relating to capital adequacy requirements covering market risk. The market-risk positions of a bank are comprised of:

- its foreign exchange positions;
- its commodities positions;
- certain of its trading book positions, including those involving counterparty risk, as well as interest-rate and share-market risk; and
- its options transactions positions.

The market risk positions are net positions, risk-adjusted in accordance with the detailed rules set forth in Principle I. As of the close of each business day, the sum of the net risk-adjusted market-risk positions of a bank must not exceed the sum of:

- the difference between its Regulatory Banking Capital and 8 per cent. of its aggregate amount of risk-adjusted risk assets; and
- its Tier 3 Capital.

Thus, the market risk positions must be covered by Own Funds that are not required to cover counterparty risk.

“Tier 3 Capital” (*Drittrangmittel*) consists of:

- net profits (i. e., the proportionate profit of a bank which would result from closing all trading-book positions at the end of a given day) less (i) all foreseeable expenses and distributions and (ii) losses resulting from the investment book that are likely to arise upon a liquidation of the bank; and
- short-term subordinated debt meeting certain conditions set out in the German Banking Act, including a minimum term of two years and the requirement that the rights of the holder thereof be subordinated to the rights of all other creditors in the event of insolvency or liquidation.

Net profits and short-term subordinated debt qualify as Tier 3 Capital up to an amount which, together with the Supplementary Capital not required to cover risks arising from the investment book, does not exceed 250 per cent. of the Core Capital not required to cover risks arising from the investment book.

Under the German Banking Act's provisions on consolidated supervision, each group of institutions (*Institutgruppe*) on a consolidated basis, as well as each bank within the group on a non-consolidated basis, must meet the Regulatory Banking Capital requirements. A group of institutions is deemed to exist if:

- another bank, financial services institution, financial enterprise or bank service enterprise is a subsidiary (*nachgeordnetes Unternehmen*) of a bank or financial services institution (with subsidiary being defined in terms of possessing a voting majority or controlling influence of the parent bank or financial services institution); or
- a member of the group of institutions:
 - owns, directly or indirectly, at least 20 per cent. of the shares of such other bank, financial services institution, financial enterprise, or bank service enterprise;
 - manages such bank, institution or enterprise jointly with other enterprises; and
 - is liable for the obligations of such bank, institution or enterprise in proportion to its capital investment in such bank, institution, or enterprise.

Capital Adequacy Requirements – The Basle II Capital Accord

The capital adequacy requirements applicable to Dresdner Bank and described in the preceding section are based on the 1988 capital accord of the Basle Committee of the Bank for International Settlement (**BIS**). The Basle Committee is a committee of central banks and bank supervisors/regulators from the major industrialized countries that develops broad policy guidelines that each country's supervisors use to determine the supervisory policies that they apply. In January 2001, the BIS released a proposal to replace the 1988 capital accord with a new capital accord and to overhaul the existing international capital adequacy standards. The two principal goals of the proposals were to align capital requirements more closely with the underlying risks and to introduce a capital charge for operational risk (comprising, among other things, risks related to certain external factors, as well as to technical errors and errors of employees). Following extensive negotiations, the proposals have been adopted by the Basle Committee in June 2004 and are expected to become effective as of year-end 2006 or, with regard to the most advanced approaches for risk evaluation, as of year-end 2007. The Basle II framework comprises three pillars. The first pillar represents a significant amendment of the minimum requirements under the 1988 capital accord. It requires higher levels of capital for those borrowers which present higher levels of credit risk and lower level of capital for those borrowers which present lower levels of credit risk. Moreover, an explicit capital charge for a bank's exposure to operational risks such as the risk of losses caused by failures in systems, processes or staff or by external events is established. Capital charges are aligned more closely to a bank's internal assessments of its overall risks to ensure that the management is exercising sound judgement and has set aside adequate capital for its risks. The third pillar aims to enhance the degree of transparency in banks' public reporting.

In July 2004, the European Commission issued its proposed revisions to the Banking Directive 2001/12/EC which is intended to implement the Basle II framework in a coherent manner throughout the EU. Under the Basle II capital accord, Dresdner Bank may need to maintain higher levels of capital for bank regulatory purposes, which could increase its financing costs.

Limitations on Large Exposures

The German Banking Act, together with the regulation on large exposures (*Großkredit- und Millionenkreditverordnung*, the **Large Exposure Regulation**), is designed to limit the concentration of credit risks through restrictions on large exposures (*Großkredite*, **Large Exposures**) of banks and groups of institutions. The Large Exposure rules and the Large Exposure Regulation distinguish between:

- banks and groups of institutions with minor trading book positions (see " – Capital Adequacy Requirements – Current Regulatory Framework") that are not subject to the rules relating to the trading book; and
- banks and groups of institutions which are subject to the rules relating to the trading book (Trading Book Institutions).

For Trading Book Institutions, the Large Exposure rules contain different restrictions for Large Exposures related to the investment book (**Investment Book Large Exposures**) and aggregate large exposures (**Aggregate Book Large Exposures**) of the bank or group of institutions. Investment Book Large Exposures exist where the assets of a bank attributable to a single client or connected group of clients equals or exceeds 10 per cent. of the relevant bank's or group of institutions' Regulatory Banking Capital. Aggregate Book Large Exposures mean situations in which the aggregate of the Investment

Book Large Exposures and the exposures incurred in the trading book (including the net amount of all long and short positions in debt instruments and shares of an individual issuer, the counterparty risk of certain derivatives, the counterparty risk after the agreed date of settlement, and repurchase and securities lending transactions) attributable to a single client or connected group of clients (the **Trading Book Large Exposures**) equal or exceed 10 per cent. of the relevant bank's or group of institutions' Own Funds.

The following limitations apply to Large Exposures of Trading Book Institutions:

- all Aggregate Book Large Exposures taken together must not exceed eight times such bank's or group's Own Funds;
- the Investment Book Large Exposures must not exceed in the aggregate eight times such bank's or group's Regulatory Banking Capital;
- the Investment Book Large Exposures to a single client or group of clients must not exceed 25 per cent. of the bank's or group of institutions' Regulatory Banking Capital;
- Investment Book Large Exposures in relation to an affiliated enterprise of the bank or group of institutions outside the group of institutions must not exceed 20 per cent. of the bank's or group of institutions' Regulatory Banking Capital;
- the aggregate amount of Trading Book Large Exposures and Investment Book Large Exposures to a client or group of clients must not exceed 25 per cent. of the bank's or group of institutions' Own Funds; and
- the aggregate amount of Trading Book Large Exposures and Investment Book Large Exposures must not exceed 20 per cent. of the bank's or group of institutions' Own Funds.

With the approval of the BaFin, a bank or group of institutions may exceed these thresholds.

The term "group of institutions" for purposes of the Large Exposure limitations is defined in the same manner as for capital adequacy purposes. See " – Capital Adequacy Requirements".

Financial Statements and Audits

The financial statements on the basis of which compliance with the capital adequacy requirements is assessed must be prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*) and the Regulation on Accounting by Credit Institutions (*Verordnung über die Rechnungslegung der Kreditinstitute*).

Under German law, Dresdner Bank must be audited annually by a certified public accountant (*Wirtschaftsprüfer*) who has been appointed by the shareholders' general meeting and mandated by the supervisory board. A bank's certified public accountant is required to inform the BaFin of any facts coming to the accountant's attention which give reason to deny or qualify the certifications of the bank's annual financial statements or adversely affect the financial position of the bank, as well as of any material breach by the bank's management of the law or the bank's statutes. The certified public accountant is required to prepare a detailed and comprehensive annual audit report (*Prüfungsbericht*), which is submitted to the supervisory board of the bank, the BaFin, and the Bundesbank. In the report, the accountant must confirm that the bank has complied with:

- the regulatory reporting requirements;
- the Large Exposures limitations;
- the limitations on extension of credit to borrowers forming a unit of borrowers;
- the principles as to capital adequacy and liquidity; and
- regulations concerning the prudential granting of credit.

In addition, the audit report must:

- discuss in detail certain large loans and other important loans;
- confirm compliance with certain provisions of the German Banking Act;
- match assets and liabilities bearing interest at fixed rates according to maturity and assets and liabilities bearing interest at floating rates according to interest periods; and
- explain the effect of a change in interest rates on the unmatched portion of such assets and liabilities.

Reporting Requirements

In order to enable the BaFin and the Bundesbank to monitor compliance with the German Banking Act and other applicable legal requirements, banks are required to file the following information with the BaFin and the Bundesbank:

- immediate notice of certain organizational changes, the acquisition or sale of more than 10 per cent. of the equity of another company or changes in the amount of such equity share, loss of 25 per cent. of the Regulatory Banking Capital, the commencement or termination of certain non-banking activities, the acquisition or termination of a significant participation in the bank, the bank's status as a subsidiary, the existence, change in or termination of any "close relationship" with another company (i. e., ownership of at least 20 per cent. of the capital or voting rights);
- on an annual basis, audited non-consolidated and consolidated financial statements for the bank;
- on a monthly basis, balance sheet and statistical information;
- on a monthly basis, compliance statements with regard to the capital adequacy rules and the requirements on liquidity; and
- on a quarterly basis, a list of the borrowers to whom the reporting bank has granted loans of € 1.5 million or more and certain information about the amount and the type of loan, including syndicated loans exceeding this amount even if the reporting bank's share does not exceed € 1.5 million.

If several different banks notify the Bundesbank of loans of € 1.5 million or more to the same borrower, the Bundesbank must inform each of the reporting banks of the total reported indebtedness and of the type of such indebtedness of the borrower.

Enforcement of Banking Regulations and Investigative Powers

To ensure that German banks fully comply with all applicable regulatory and reporting requirements, the BaFin requires that banks maintain an effective internal auditing department to monitor and control their activities. In order to secure compliance with the German Banking Act and the regulations issued thereunder, the BaFin and the Bundesbank may require information and documents from a bank and the BaFin may conduct investigations of a bank. In addition, the BaFin may attend or convene meetings of the bank's supervisory board and of the bank's shareholders.

The BaFin has a wide range of enforcement powers. It can remove the bank's managers from office or prohibit them from engaging in banking activities. If the Own Funds of a bank are not adequate or if the liquidity requirements are not met (provided that the bank has failed to remedy the deficiency within a certain period), the BaFin may prohibit or restrict the distribution of profits or the extension of credit. These prohibitions also apply to the parent bank of a group of institutions if the Own Funds of the bank's group enterprises do not meet the legal requirements. If the liquidity requirements are not met, the BaFin may also prohibit further investments in illiquid assets.

If a bank is in danger of defaulting on its obligations to creditors, the BaFin may take emergency measures to avert a default, including, among others:

- issuing instructions relating to the management of the bank;
- prohibiting the acceptance of deposits and the extension of credit;
- prohibiting or restricting the managers of the bank from carrying on their functions; and
- appointing supervisors.
- If these measures are inadequate to remedy the situation, the BaFin may revoke the bank's license and, if appropriate, order that the bank be shut down. In order to prevent the insolvency of a bank, the BaFin has the authority to:
- prohibit payments and disposals of assets;
- close customer services; and
- prohibit the acceptance of payments other than in payment of a debt owed to the bank.

Violations of the German Banking Act may result in criminal and administrative penalties.

Taxation

The statements below regarding taxation are based on the law and practice of the relevant specified jurisdiction at the date of this Prospectus and are subject to any subsequent changes in law or practice (which could be made on a retroactive basis). The following statements do not constitute tax advice and do not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Securities and may not apply equally to all persons. Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the tax consequences of their ownership of the Securities.

Taxation in Ireland

Introduction

The following is a summary of the principal Irish tax consequences of ownership of the Securities based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with Securityholders who beneficially own their Securities and Coupons thereon as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Securities. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Securities should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Securities and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Withholding Tax

In general, tax at the standard rate of income tax (currently 20%), is required to be withheld from payments of Irish source interest which should include interest payable on the Securities. However, an exemption from withholding on interest payments exists for certain securities (**quoted Eurobonds**) issued by a company (such as the Issuer) which are interest bearing and quoted on a recognised stock exchange (which would include the Irish Stock Exchange).

Any interest paid on such quoted Eurobonds can be paid free of withholding tax provided:

- (a) the person by or through whom the payment is made is not in Ireland; or
- (b) the payment is made by or through a person in Ireland, and either:
 - (i) the quoted Eurobond is held in a clearing system recognised by the Irish Revenue Commissioners; the Clearing System is so recognised, or
 - (ii) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as an Irish paying agent) in the prescribed form.

So long as the Securities continue to be quoted on the Irish Stock Exchange and are held in the Clearing System, interest on the Securities can be paid by any Paying Agent acting on behalf of the Issuer without any withholding or deduction for or on account of Irish income tax.

If, for any reason, the quoted Eurobond exemption referred to above ceases to apply, the Issuer can pay (provided that it remains a “qualifying company” as defined in Section 110 of the Irish Taxes Consolidation Act, 1997) interest on the Securities in the ordinary course of its trade or business free of withholding tax to a person which is resident in a Member State of the European Union (other than Ireland) or in a country with which Ireland has a double taxation agreement in force at the time of payment provided that the Issuer is satisfied that the terms of the exemption are satisfied. For this purpose, residence is determined by reference to the law of the country in which the recipient claims to be resident. This exemption from withholding tax will not apply, however, if the interest is paid to that person in connection with a trade or business carried on by it through a branch or agency in Ireland. For other holders of Securities, interest may be paid free of withholding tax if the Securityholder is resident in a double tax treaty country and under the provisions of the relevant treaty with Ireland such Securityholder is exempt from Irish tax on the interest and clearance in the prescribed form has been received by the Issuer before the interest is paid.

Encashment Tax

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20%) from interest on any Security, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Securityholder. Encashment tax does not apply where the Securityholder is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

Taxation of Securityholders

Notwithstanding that a Securityholder may receive interest on the Securities free of withholding tax, the Securityholder may still be liable to pay Irish income tax with respect to such interest. Interest paid on the Securities should have an Irish source and therefore is within the charge to Irish income tax and levies. Ireland operates a self-assessment system in respect of income tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

There is an exemption from Irish tax on interest payments made by a company in the ordinary course of its trade or business provided the recipient of the interest is not resident in Ireland and is a company resident in a Member State of the European Union (other than Ireland) or in a country with which Ireland has a double tax treaty and provided it does not carry on a trade in Ireland through a branch or agency in Ireland. In addition, any interest which can be paid free of withholding tax under the quoted Eurobond exemption is exempt from tax where the payment is made to a person not resident in Ireland and resident in a Member State of the European Union (other than Ireland) or in a country with which Ireland has a double taxation treaty. For these purposes, residence is determined under the terms of the relevant double taxation agreement or in any other case, the law of the country in which the recipient claims to be resident.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Securities are held or attributed, may have a liability to Irish corporation tax on the interest.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Securities which does not fall within the above exemptions is within the charge to Irish income tax. However, it is understood that the Irish Revenue Commissioners have, in the past, operated a practice not to take any action to pursue any liability to such tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of tax.

There can be no assurance that the Irish Revenue Commissioners will apply this practice in the case of the Securityholders.

Capital Gains Tax

A holder of Securities will not be subject to Irish tax on capital gains on a disposal of Securities unless such holder is either resident or ordinarily resident in Ireland or carries on a trade or business in Ireland through a branch or agency in respect of which the Securities were used or held.

Capital Acquisitions Tax

If the Securities are comprised in a gift or inheritance taken from an Irish domiciled, resident or ordinarily resident disponent or by an Irish resident or ordinarily resident donee/successor (a foreign individual will not be regarded as being resident or ordinarily resident in Ireland at the date of the gift or inheritance unless that individual (i) has been resident in Ireland for the five consecutive tax years preceding that date; and (ii) is either resident or ordinarily resident in Ireland on that date), or if any of the Securities are regarded as property situate in Ireland (ie. if the Securities are physically located in Ireland or if the register of the Securities is maintained in Ireland), the donee/successor may be liable to Irish capital acquisitions tax (which subject to available exemptions and reliefs is currently levied at 20 per cent.). As stated above, Securities issued by the Issuer may be regarded as property situate in Ireland. Accordingly, if such Securities are comprised in a gift or inheritance, the donee/successor may be liable to Irish capital acquisitions tax, even though the disponent or the donee/successor may not be domiciled, resident or ordinarily resident in Ireland.

Stamp Duty

No stamp duty or similar tax is imposed in Ireland (on the basis of an exemption provided for in Section 85(2)(c) to the Irish Stamp Duties Consolidation Act, 1999 assuming the proceeds of the Securities are used in the course of the Issuer's business), on the issue, transfer or redemption of the Securities.

Taxation in the Federal Republic of Germany

This section "Taxation in the Federal Republic of Germany" contains a summary of some important German fiscal provisions that are relevant in connection with the acquisition, the holding and the sale or redemption of the Securities. This summary is not intended to be a comprehensive and complete representation of all aspects that could be relevant to investors under German tax law. It is based on the German tax law in force at the time of preparing this Prospectus, which may change at short notice, even with retroactive effect. We therefore strongly recommend that potential investors seek advice from their professional tax advisors with respect to the tax implications of the acquisition, the holding and the sale or redemption of Securities.

Investors tax resident in Germany

All interest payments including interest having accrued up to the disposal of the Security and credited separately (**Accrued Interest**) made by the Issuer to investors tax resident in Germany (persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany) are subject to income or corporate tax plus solidarity surcharge in the amount of 5.5 per cent. of the relevant income or corporate tax liability. If Securities are held as a non-business asset, any Accrued Interest paid upon the acquisition of Securities may give rise to negative income and may, therefore, reduce such Securityholder's income tax liability. If Securities are held as assets of a German commercial business, these interest payments are subject to trade tax (*Gewerbesteuer*) also. If Securities are held in a custodial account maintained with a bank or financial services provider in Germany, including branches of foreign banks or financial services providers in Germany (the **Disbursing Agent** – *inländische Zahlstelle*), withholding tax on interest income (*Zinsabschlagsteuer*) in the amount of 30 per cent. (plus 5.5 per cent. solidarity surcharge thereon, i.e. a total of 31.65 per cent.) will be withheld from the gross amount of the interest payments (including Accrued Interest). Tax withheld by the Disbursing Agent will be credited against the final German income or corporate tax burden of the Securityholder.

No tax is withheld by the Disbursing Agent if the Securityholder is an individual who has filed a certificate of exemption (*Freistellungsauftrag*) with the Disbursing Agent and the Securities held by such individual are not part of a German commercial business property or generate income from the letting and leasing of property. However, this exemption applies only to the extent that the aggregate interest income derived from the Securities, together with an individual's other investment income administered by the Disbursing Agent, does not exceed the maximum annual exemption amount shown on the certificate of exemption (up to € 1,370 for individuals and € 2,740 for married couples filing jointly). No withholding obligation exists also, if the Securityholder submits to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the local tax office.

Profits from the sale or redemption of the Securities, including the profits achieved by a second or subsequent purchaser, are deemed to be interest income and are subject to personal income or corporate tax plus solidarity surcharge thereon under German tax law. If Securities are held as part of a German commercial business, such profits are subject to trade tax also. The taxable profit from the sale or redemption of Securities is calculated as the difference between the proceeds from the sale or redemption and the purchase price of the Securities (so-called *Marktrendite*). For Securities held in a custodial account maintained with a Disbursing Agent since the acquisition of the Securities, the Disbursing Agent will be required to withhold tax in the amount of 30 per cent. (plus a 5.5 per cent. solidarity surcharge) of the difference between the sale or redemption proceeds and the purchase price paid for the Securities. If the Disbursing Agent has changed since the acquisition of the Securities, tax is withheld in the amount of 30 per cent. of the sale or redemption proceeds (plus solidarity surcharge of 5.5 per cent. thereon). The tax withheld will be credited against the final German income or corporate tax burden of the Securityholder.

No tax will be withheld, if the Securityholder is an individual whose Security does not form part of the property of a German business nor gives rise to income from the letting and leasing of property and who filed a certificate of exemption (*Freistellungsauftrag*) with the Disbursing Agent to the extent that the interest income derived from the Security together with other investment income does not exceed the maximum exemption amount shown on this certificate (see above Interest Payments). The same applies if the Securityholder submits to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the local tax office.

Non-resident investors

Interest paid to a Securityholder and profits from the sale or redemption realized by a Securityholder not resident in Germany will generally not be taxable in Germany and no tax will be withheld (even if the Securities are kept with a Disbursing Agent). Exemptions apply, for example, (i) if the Securities are held as a business asset of a German permanent establishment or by a permanent representative of the non-resident Securityholder, (ii) if the interest income of such Securities does otherwise constitute German source income or (iii) if the non-resident Securityholder does not comply with the procedural rules to prove his status as a non-tax resident. In these cases, the Securityholder not resident in Germany will be subject to a tax regime similar to that described above under "Investors tax resident in Germany".

Inheritance and Gift Tax

The transfer of Securities in case of succession upon death, or by way of a gift among living persons is subject to German inheritance and/or gift tax, if the deceased, donor and/or the recipient is a German resident. German inheritance and gift tax is also triggered if neither the deceased, the donor nor the recipient of the Securities are German residents, if the Securities are attributable to German business activities and if a German permanent establishment is maintained for such business activities or a permanent representative is appointed in Germany. In specific situations, also German expatriates that have been tax resident in Germany may be subject to inheritance and gift tax. Double taxation treaties may provide for exceptions to the German inheritance and gift tax regulations.

European Union Directive on the Taxation of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from 1 July 2005, a number of non-EU countries, and certain dependent or associated territories of certain Member States including Jersey, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

Subscription and Sale

Under a subscription agreement dated on or about 18 July 2006, the Managers have agreed to subscribe for the aggregate principal amount of € 750,000,000 Securities at the price of 100 per cent. of their principal amount in order to sell the Securities to investors. Certain commissions are being paid to the Managers by the Bank in connection with the issue of the Securities.

The Bank has undertaken to indemnify and hold harmless the Managers against certain liabilities incurring in the context of the subscription and sale of the Securities. The Subscription Agreement entitles the Managers to terminate it in certain circumstances prior to the issue of, and payment for, the Securities.

The Managers or their affiliates have provided from time to time, and expect to provide in the future, investment services to the Dresdner Bank Group, for which the Managers or their affiliates have received or will receive customary fees and commissions.

There are no interests of natural and legal persons involved in the issue, including conflicting ones, that are material to the issue.

Selling Restrictions

United States

Each of the Managers has represented and agreed that, except as permitted by the Subscription Agreement, it will not offer or sell the Securities within the United States of America or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the closing date and the completion of the distribution of the Securities, and it will send to each dealer to which it sells Securities during the 40 day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States of America or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of the Securities within the United States of America by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

The Securities may not be purchased by or transferred to any employee benefit, plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended, any plan or arrangement subject to Section 4975 of the Code, or any entity whose underlying assets include the assets of any such employee benefit plans, plan or arrangements.

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 of the Managers has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Securities to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Securities which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, published in another Relevant Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Securities to the public in that Relevant Member State at any time:

- (a) 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;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last fiscal 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
- (c) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

(*) The EU plus Iceland, Norway and Liechtenstein.

For the purposes of this provision, the expression an “offer of Securities to the public” in relation to any Securities 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 Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, 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 of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and includes any relevant implementing measure in each Relevant Member State.

United Kingdom of Great Britain and Northern Ireland

Each of the Managers has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

Ireland

Each of the Managers has represented, warranted and agreed that to the extent applicable it has complied with and will comply with all applicable provisions of the Irish Companies Acts 1963-2005 (as amended); and the Investment Intermediaries Act 1995 (as amended) including, without limitation, Sections 9 and 50 and will conduct itself in accordance with any Codes of Conduct drawn up pursuant to Section 37 thereof or, in the case of a credit institution exercising its rights under the Banking Consolidation Directive (2000/12/EC of 20 March 2000) in conformity with the codes of conduct or practice made under Section 117(1) of the Central Bank Act 1989, of Ireland, as amended, with respect to anything done by it in relation to the Securities.

General

In addition to the specific restrictions set out above, the Managers agree that they will observe all applicable provisions of law in each jurisdiction in or from which it may offer Securities or distribute any offering material.

Delivery of the Securities

The Securities will initially be represented by a temporary global security in bearer form without coupons which will be exchanged not earlier than 40 days and not later than 180 days into a permanent global security in bearer form without coupons upon certification as to non U.S. beneficial ownership of the Securities in accordance with the practices of the Clearing System. Both the temporary and the permanent global security will be deposited with and held by the Clearing System and will bear the handwritten signature of the Issuer’s management.

Co-ownership interests in Securities may be transferred according to the applicable rules of Clearstream Frankfurt, Euroclear and Clearstream Luxembourg. It is expected that the delivery of the Securities will be made through the Clearing System against payment therefor in immediately available funds on 20 July 2006. Physical certificates or interest coupons will not be issued. A copy of the global security will be available free of charge with the paying agents named below.

The Securities will be admitted to trading on the Irish Stock Exchange on 20 July 2006 and on the Frankfurt Stock Exchange as soon as possible thereafter.

General Information

Subject of this Prospectus

The subject of this Prospectus are the € 750,000,000 Dated Upper Tier 2 Securities.

Clearing Codes

The Securities have been accepted for clearance through the facilities of the Clearing System under the following clearance codes:

ISIN: DE 000A0GVS76.

WKN: A0GVS7.

Common Code: 026189004.

Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Securities and is not itself seeking admission of the Securities to the Irish Stock Exchange or to trading on the Irish Stock Exchange for the purposes of the Prospectus Directive.

Issue Date

The Securities will be issued on 20 July 2006. The rights attached to the Securities take effect as of such Issue Date.

Yield to Maturity

The yield to maturity is 5.321 per cent. *per annum* provided that all coupons are paid in full.

Listing Documents for Inspection

Application has been made to the Financial Regulator, as competent authority under the Prospectus Directive, for this Prospectus to be approved. Application has been made to the Irish Stock Exchange for the Securities to be admitted to the official list and to trading on its regulated market. Further, application is intended to be made to the Frankfurt Stock Exchange to list the Securities on the Official Market (*amtlicher Markt*) of the Frankfurt Stock Exchange. So long as the Securities are listed on the Irish Stock Exchange and/or the Frankfurt Stock Exchange, the Issuer will maintain a paying agent in Ireland and Frankfurt respectively.

At any time during the term of the Securities the most recently published consolidated and non-consolidated audited annual financial statements and consolidated unaudited interim financial reports of the Bank, and, once available, the most recently available annual accounts of the Issuer, will also be available for inspection and obtainable free of charge at the offices of the Principal Paying Agent in Frankfurt am Main and the Irish Paying Agent.

In addition, the following documents will be available in physical form for inspection and obtainable, free of charge, at any time as long as any Securities are outstanding at the offices of the Issuer and, at any time as long as the Securities are listed on the Irish Stock Exchange, at the offices of the Irish Paying Agent:

- (a) the memorandum and articles of association of the Issuer;
- (b) the articles of association (*Satzung*) of the Bank;
- (c) the consents and authorisations referred to under "Authorisations" below; and
- (d) a copy of the Fiduciary Assignment Agreement.

At any time during the term of the Securities, the articles of association (*Satzung*) of Dresdner Bank (as amended from time to time) and the non-consolidated and consolidated audited annual financial statements of Dresdner Bank for the fiscal

years 2004 and 2005 will be available in physical form for inspection during the regular business hours at the offices of Dresdner Bank Aktiengesellschaft, Juergen-Ponto-Platz 1, 60301 Frankfurt am Main, Federal Republic of Germany.

Notices

All notices to the Securityholders will be given by the Issuer (i) by mail, fax or electronically to the Clearing System, (ii) so long as any of the Securities are listed on the Irish Stock Exchange and the Irish Stock Exchange so requires, to the Company Announcement Office of the Irish Stock Exchange through the Irish Paying Agent, and (iii) so long as the Securities are listed on the Frankfurt Stock Exchange and the Frankfurt Stock Exchange so requires by publishing in at least one daily newspaper having general circulation in Germany.

No Material Change

Since its date of formation, the Issuer has not commenced operations and no financial statements have been made up as at the date of this Prospectus and there has been no material adverse change in the financial prospects of the Issuer. Save as disclosed herein, there has been no significant change in the financial position of the Bank or Dresdner Bank Group since the date of its last published audited annual report. Furthermore, save as disclosed herein, there has been no material adverse change in the prospects of the Issuer since its formation on 19 June 2006 or the Bank or Dresdner Bank Group since the date of its last published audited annual report.

Authorisations

The issue of the Securities by the Issuer has been duly authorised by the Board of Directors of the Issuer dated 14 July 2006.

The Bank and the Issuer have obtained all the necessary consents, approvals and authorisations in Germany and Ireland in connection with the issue and performance of the Securities.

Litigation and Arbitration Proceedings

Save as disclosed in this Prospectus, the Issuer is not and has not been engaged in any governmental, legal or arbitration proceedings which may have, or have had in the 12 month period preceding the date of this Prospectus, significant effects on the financial position or profitability of the Issuer nor, as far as the Issuer is aware, are any such governmental, legal or arbitration proceedings pending or threatened.

Subsidiaries

A selective overview of the Bank's equity participations as at 31 December 2005 is set out in the published consolidated audited financial statements of Dresdner Bank for the year ended 31 December 2005.

Auditors

The non-consolidated and consolidated financial statements of Dresdner Bank Aktiengesellschaft have been audited without qualification for the two financial years ended 31 December 2004 and 31 December 2005 by KMPG Deutsche Treuhand-Gesellschaft, Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Marie-Curie-Strasse 30, 60439 Frankfurt am Main, Germany.

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60301 Frankfurt am Main
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German Paying Agent

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To the Issuer as to Irish law
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Auditors to Dresdner Bank Aktiengesellschaft

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