

Erste Abwicklungsanstalt
Elisabethstraße 65
40217 Düsseldorf

Our ref 760401
Matter ref 142264.000017

5 May 2015

NO APPLICATION OF BAIL-IN RULES ON ERSTE ABWICKLUNGSANSTALT

Dear Sirs

You have asked us to advise on the non-application of the bail-in rules on Erste Abwicklungsanstalt ("**EAA**"). In Germany bail-in rules are set out in section 90 et seq. of the German Bank Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz* – "**SAG**"), implementing Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 (the "Bank Recovery and Resolution Directive") into German law. Pursuant to its section 1 nos. 1 to 4 the SAG applies to credit institutions, securities trading firms, holding companies within the meaning of section 10a (1) German Banking Act and credit institutions within the meaning of section 53 (1) German Banking Act.

EAA has been established by the German Financial Markets Stabilisation Agency (*Bundesanstalt für Finanzmarktstabilisierung* - "**FMSA**") as a structurally and financially independent public law entity with partial legal capacity (*teilrechtsfähige Anstalt des öffentlichen Rechts*) pursuant to section 8a (1) sentence 1 of the German Financial Markets Stabilisation Fund Act ("**FMSStFG**").

According to its charter (*Statut*) EAA may engage in all types of banking and financial services transactions and all other transactions that directly or indirectly serve its statutory object and purpose. In this context, EAA may also, to the extent permitted under applicable law in each case, hold regulated subsidiaries both domestically and abroad. However, according to section 8a (5) FMSStFG, EAA is neither a credit institution (*Kreditinstitut*) nor a financial services institution (*Finanzdienstleistungsinstitut*) within the meaning of the German Banking Act (*Kreditwesengesetz*), nor a securities services enterprise (*Wertpapierdienstleistungsunternehmen*) within the meaning of the German Securities Trading Act (*Wertpapierhandelsgesetz*), nor an insurance enterprise (*Versicherungsunternehmen*) within the meaning of the German Insurance Supervision Act (*Versicherungsaufsichtsgesetz*).

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On your request, we are happy to confirm that pursuant to section 1 nos. 1 to 4 SAG, the SAG and in particular its sections 90 et seq. on bail-in instruments will not be applicable on EAA.

This letter does not relate to facts or laws arising or implemented after the date hereof or the interpretation of laws after the date hereof and we do not assume any obligation to update this letter or to inform you of any changes to facts or laws.

Yours sincerely,

A handwritten signature in blue ink that reads "Hogan Lovells International LLP". The signature is written in a cursive, flowing style.

Hogan Lovells International LLP